

## EAST Search History

Ref #	Hits	Search Query	DBs	Default Operator	Plurals	Time Stamp
L1	74404	licens\$3	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:25
L2	6374	1 near6 (term or agreement or template or contract)	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:26
L3	9568	(right or license or content) near5 owner	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:26
L4	111126	2 an d3	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:26
L5	3244	2 and 3	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:26
L6	37766	(grant\$3 or approv\$4) with (licens\$4 or usage or access\$3)	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:27
L7	1190	5 and 6	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:27
L8	1563	(rule or policy or restrict\$3) with license	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:28
L9	144	7 and 8	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:28

## EAST Search History

read	L10	21	9 and @ad<"20001228"	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:29
	L11	325124	defin\$5 with (term or restriction or right or rule or policy or license)	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:30
	L12	433	7 and 11	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:31
	L13	116	12 and @ad<"20001228"	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:32
read	L14	101	13 not 10	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:32
	L15	848	search\$3 with 1	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:32
	L16	79	15 and 5	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:32
	L17	11	16 and @ad<"20001228"	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:36
read	L18	4	17 not 10 not 14	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:33
	L19	1358245	accept\$5 or conteroffer\$3 or reject\$3 or deny\$3 or denies or denied	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:35

## EAST Search History

L20	1063	1 near5 19	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:35
L21	154	20 and 7	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:36
L22	42	21 and @ad<"20001228"	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:36
read L23	7	22 not 10 not 14 not 18	US-PGPUB; USPAT; EPO; JPO; DERWENT; IBM_TDB	OR	ON	2006/04/06 17:36

## EAST Search History

Ref #	Hits	Search Query	DBs	Default Operator	Plurals	Time Stamp
L1	2510	licens\$3.clm.	US-PGPUB	OR	ON	2006/04/06 17:22
L2	39449	(term or agreement or rule or template or contract).clm.	US-PGPUB	OR	ON	2006/04/06 17:23
L3	608	1 and 2	US-PGPUB	OR	ON	2006/04/06 17:23
real (L4)	15	3 and @ad<"20001228"	US-PGPUB	OR	ON	2006/04/06 17:23

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File 15:ABI/Inform(R) 1971-2006/Apr 06  
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 File 624:McGraw-Hill Publications 1985-2006/Apr 06  
 (c) 2006 McGraw-Hill Co. Inc  
 File 634:San Jose Mercury Jun 1985-2006/Apr 05  
 (c) 2006 San Jose Mercury News  
 File 636:Gale Group Newsletter DB(TM) 1987-2006/Apr 05  
 (c) 2006 The Gale Group  
 File 810:Business Wire 1986-1999/Feb 28  
 (c) 1999 Business Wire  
 File 813:PR Newswire 1987-1999/Apr 30  
 (c) 1999 PR Newswire Association Inc

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Set	Items	Description
S1	4932012	LICENS????
S2	635863	S1 (5N) (TERM OR TERMS OR AGREEMENT OR AGREEMENTS OR TEMPL- ATE OR TEMPLATES OR CONTRACT OR CONTRACTS)
S3	140428	(RIGHT OR RIGHTS OR LICENSE OR LICENSES OR CONTENT OR CONT- ENTS OR SOFTWARE OR SOFTWARE) (5N) (OWNER OR OWNERS)
S4	5998	S2 AND S3
S5	440575	(GRANT??? OR APPROV????) (8N) (LICENSE??? OR USAGE OR USAG- ES OR ACCESS???)
S6	599	S4 AND S5
S7	61263	(RULE OR RULES OR POLICY OR POLICIES OR RESTRICT????) (6N) LICENS????
S8	138	S6 AND S7
S9	64	S8 NOT PY>2000
S10	61	RD (unique items)
S11	162139	(LICENSE OR LICENSES) (5N) (RIGHT OR RIGHTS)
S12	27	S10 AND S11
S13	4348	SEARCH??? (5N) (LICENSE OR LICENSES)
S14	23	S4 AND S13
S15	13	S14 NOT PY>2000
S16	7	RD (unique items)
S17	7	S16 NOT S12

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12/K/1 (Item 1 from file: 15)  
 DIALOG(R) File 15:ABI/Inform(R)  
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02042222 56093958

**Collaborative research: Conflicts on authorship, ownership, and accountability**

Dreyfuss, Rochelle Cooper

Vanderbilt Law Review v53n4 PP: 1161-1232 May 2000

ISSN: 0042-2533 JRNL CODE: AVL R

WORD COUNT: 34343

...TEXT: apart on valuating outcomes, resolution is all but impossible.<sup>45</sup> Eisenberg and Heller examined the **licensing** of existing works; presumably, **agreements** requiring the evaluation of potential output are even more difficult to achieve. Matters are further...university resources. In exchange, the schools agree to take administrative control (applying for patents, negotiating **licensing agreements** ) and to share royalties with the inventors (and in some cases, with the departments in...any inventor wishes to patent, the invention becomes freely available. Second, the patents held by **grantees** are subject to certain conditions that promote public **usage** . Thus, funding agencies retain nonexclusive, nontransferable licenses to utilize the inventions they funded, so long...

...then the funding agency has the right to "march-in," that is, to require the **grantee** to grant **licenses** on reasonable **terms** or to assert its own interest in the patent. 120

As to nonpecuniary issues, these...is no duty to account.<sup>205</sup> Although there is some dispute on this point, each **owner** also appears to have a **right** to assign the patent to others.<sup>206</sup> Further, enforcement actions require all patentees to participate...

...these exploitation rules is a rivalry that is potentially so destructive, the need to consolidate **rights** in a single **owner** is overwhelming. After the fact, the temptation is to squeeze out less significant players.<sup>210</sup>...other contributors in so far as that were necessary to fully exploit individual derivative work **rights** . Compensation for exercise of the **license** would, again, be determined by private negotiation or arbitration. Access to tangible products produced in ...for authors. To protect rights to improve on the work, each inventor would also be **granted** an implied **license** to use other inventions protected by the patent and other patents based on the collaborative...

...another is to limit public access for a period of years, but to provide complete **access** to every collaborator. A third alternative is to **grant** each inventor rights in the materials that inventor developed, along with an implied license to...Bad Blood Between Partners, 271 SCIENCE 1800 (1996) (noting that the number of new technology **license** and option **agreements** between industry and academia increased 63% between 1991 and 1994; Walter W. Powell, Inter-organizational...2d 970, 975-79 (4th Cir. 1990) (copyrights). For analysis of the antitrust implications of licensing agreements , see DEPARTMENT OF JUSTICE & F.T.C., ANTITRUST GUIDELINES FOR THE LICENSING OF INTELLECTUAL PROPERTY...

...edu/100885> [hereinafter Academic Authorship].

24. See MARK A. LEMLEY, BEYOND PREEMPTION: THE LAW AND **POLICY** OF INTELLECTUAL PROPERTY **LICENSING** 111, 117-36 (1999); Rochelle Cooper Dreyfuss, Do You Want to Know a Trade Secret...1997) [hereinafter, Goldberg, Net Profits].

55. See, e.g., Dean F. Vance et al., The **License Agreement** Supplement, 534 PLI/Pat 449, 453 (1998).

56. Goldberg, for example, explains that participants are...

...25, 2000) <<http://www.law.upenn.edu/library/ulc/ucita/citam99.htm>>; NCCUSL Gives Final **Approval** to Model Laws on Electronic Signatures, Software **Licenses**, 68 U.S.L.W. 2069-70 (1999) [hereinafter NCCUSL Approval].

66. See, e.g...

...Approval, supra note 65, at 2069 (describing the FTC's concern that UCITA "would permit **licensors** to impose anticompetitive grantback **terms** in a **license** that would reduce the incentive to engage in research and development").

71. See, e.g...athena.mit.edu/org/t/tlo/ [www/guide.2.html](http://www/guide.2.html)> [hereinafter M.I.T.'s **Policies** ]; Inventions, Patents, and **Licensing** (RPH 5.1) (last modified Feb. 10, 1998) <<http://www.portfolio.stanford.edu/101243>> [hereinafter Stanford's Policies] (displaying Stanford University's **policies** ); Office for Technology **Licensing** : **Policy** on Patents and Copyrights (viewed on Mar. 24, 2000) <<http://www.techtransfer.rf.ohio-state.edu/101243>> ...attribution and integrity'; 203 (discussing termination provisions); sec 304(c) (discussing "termination of transfers and **licensing** covering extended renewal **term** ").

157. sec 201.

158. sec 106(2).

159. See Jessica D. Litman, Copyright, Compromise, and...

12/K/2 (Item 2 from file: 15)  
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02028196 53920406

**Interpreting the Copyright Act's Section 201(c) revision privilege with respect to electronic media**

Meitus, Robert

Federal Communications Law Journal v52n3 PP: 749-776 May 2000

ISSN: 0163-7606 JRNL CODE: FCL

WORD COUNT: 11421

...TEXT: media, albeit in dicta. Part V explores related case law dealing with "new media" in **licensing agreements**, which offers further insight into the role of public **policy** in new technology **licensing** cases. Part VI examines copyright clearinghouses as necessary and effective tools for the administration of...and could only be secured if copyright "notice" appeared in the name of the copyright **owner**.<sup>49</sup> Thus, authors who granted **rights** to publish their articles were often in grave risk of inadvertently

losing their rights to...

...a separate notice in the author's name, and without requiring any unqualified transfer of **rights** to the **owner** of the collective work."<sup>54</sup> Under this section, if there is no express transfer of the copyright or related **rights**, "the **owner** of copyright in the collective work is presumed to have acquired only the privilege of...transfer of rights under the [a]uthor's copyright was sought."<sup>61</sup>

Mead entered into **licensing agreements** with each of the publishers, whereby the publishers provided Mead with much of the content...constitutes a naked violation of section 106(2) of the 1976 Act providing a copyright **owner** with the exclusive **right** to prepare a derivative work. In the final analysis, any theory of "added value" should...with regard to the role of policy in copyright law.

#### V. THE ROLE OF COPYRIGHT **POLICY** IN INTERPRETING **LICENSES** IN LIGHT OF NEW MEDIA

As previously discussed, this Note primarily addresses freelance agreements solely...

...One might consider, as the Tasini 1 court did,<sup>119</sup> that case law parsing broader **licensing agreements** is irrelevant to the issue at hand. The opinions, nevertheless, offer valuable insight into judicial...

...developed, including the narrow Ninth Circuit rule stating that any rights not expressly and unambiguously **granted** in a **license** are reserved to the licensor,<sup>121</sup> and ...right to use the composition in videocassette reproductions not envisaged at the time of the **contract**.<sup>124</sup> The court held the **licensee**'s rights do not extend to distribution by videocassette based on a lack of language...

...Cohen court concluded that it would frustrate the purposes of the Act to construe the **license** to **grant** a **right** in a medium unknown at the time of the original agreement.<sup>126</sup> One inference to...

...licensee the right to broadcast the work via live telecast, the court held that the **license** did include motion picture **rights** and, most importantly, placed the burden on the **licensor** to show that the **terms** of the **license** did not extend to the new medium.<sup>130</sup> The Bartsch court wrote, "if Bartsch or...

...the burden. . . ." <sup>136</sup> The Boosey decision made clear that there should not be a default **rule** favoring **licensors** or **licensees**. Rather, courts should simply follow the words of the contract to determine which party is ...

...Cohen can be viewed as favoring licensors and Bartsch has been construed as a default **rule** for **licensees**, the Second Circuit Court of Appeals in Boosey has declared that there will be no...

...a transfer of rights is valid if it is in writing and signed by the **owner** of the **rights** conveyed-reflects a policy judgment that copyright **owners** should retain all **rights** unless specifically transferred.<sup>138</sup>

Thus, section 204(a) adds support to the notion that the...Act, publishers only need to register with the fledgling Publication Rights Clearinghouse



(PRC), a collective- **licensing** system in which writers **contract** with the PRC to act as their agent in licensing secondary rights to their previously ...

...provide the means by which composers and other holders of copyrights in musical works police, **license**, and administer their performance **rights** within the United States.<sup>143</sup> These organizations collect and distribute performance royalties quarterly and police...

...144

The mechanics of ASCAP further explain how a performance rights organization functions. An ASCAP **licensor agreement** is comprised of three important **terms**.<sup>145</sup> First, the **licensor** members **grant** the organization the nonexclusive **right** to **license** nondramatic public performances of their works. Second, the members grant ASCAP the right to bring...

...and prices charged by publishers.<sup>154</sup> This method of collection most closely mirrors the blanket **license** used by performing **rights** organizations in the field of music.

The ASCAP and CCC models provide evidence that tracking...

...royalties for electronic revisions on a periodic basis.<sup>156</sup>

## VII. CONCLUSION

Whether a collective work **owner**'s **right** of revision should include reproduction in a specific electronic medium should depend on two factors ...Pictures Corp., 845 F.2d 851 9th Cir. 1988) (establishing two distinct approaches to construing **licensing contracts** with respect to new media); see also Ricordi & Co. v. Paramount Pictures, Inc., 189 F...

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### Financing intellectual property

Stokke, Diane R

Commercial Lending Review v14n1 PP: 48-58 Winter 1998/1999

ISSN: 0886-8204 JRNL CODE: CLV

WORD COUNT: 6261

...TEXT: in structuring a financing. Patents

A patent is a federally granted monopoly and an exclusionary **right** that gives the patent **owner** the **right**, for a period of 17 years from the issuance of the patent, to exclude others...

...recordings; and (8) architectural works. Copyright is also an important source of protection for computer **software**. The copyright **owner** has the exclusive **right** to reproduce, distribute, perform and display the work, and to prepare derivative works. A work...semiconductor computer chips. 17 U.S.C. Section 901 et seq. (1985). The mask work **owner** has the exclusive **right** to reproduce the mask work and import and distribute semiconductor

chips embodying it. Assignments and...

...that is, contingent upon the occurrence of a default by the debtor under a loan **agreement** . A **license** , on the other hand, is a matter of contract law and involves the grant of...

...Licenses can be exclusive or nonexclusive, perpetual or limited in time, scope, or duration. While **licenses** are frequently **granted** to generate royalty payments to the **owner** of the intellectual property, a **license** can also be used to acquire intellectual property to be developed by another, to receive...

...any form of executory contract, the lender needs to consider the bankruptcy risks associated with **licenses** . Foreign **Rights**

As noted above, foreign rights may exist in patents, trade secrets, trademarks, and copyrights. While...The debtor transfers "title" to the intellectual property rights to its lender, together with a **license** -back of these same **rights** to the debtor for use in the debtor's business. The assignment terminates when the...patent to the debtor when the loan is repaid. In the interim, the lender would **grant** the debtor an exclusive **license** to use the patent. Copyrights

Unlike the Patent Act, Section 205 of the Copyright Act...

...in which the debtor-in-possession's principal assets were a library of copyrights, distribution **rights** , **licenses** to films, and accounts receivable arising from the licensing of the films. The lender had...to its lender, file and prosecute patent applications, register new works for copyright protection, and **restrict** the debtor's ability to **license rights** in the intellectual property. Priority Among Competing Claimants

In the event of a business failure...

...derivative work is involved, it will be important to determine that the borrower obtained relevant **license rights** from third parties. There may be joint **owners** of intellectual property **rights** , in which case the borrower may need to obtain the joint **owner** 's **rights** or to establish the parties' respective rights and obligations under a written agreement. Validity

An...be addressed before the loan can be made. The borrower may need to obtain a **license** to obtain the necessary **rights** or to remove material substantially similar to a previously copyrighted work. Particularly with patents, the...

12/K/4 (Item 4 from file: 15)

DIALOG(R)File 15:ABI/Inform(R)

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01755754 04-06745

**Lochner in cyberspace: The new economic orthodoxy of "rights management"**  
Cohen, Julie E

Michigan Law Review v97n2 PP: 462-563 Nov 1998

ISSN: 0026-2234 JRNL CODE: MLW

WORD COUNT: 53112

...TEXT: legal regime governing rights in digital works and overall social welfare. It demonstrates that allowing **content owners** to internalize

the uncompensated benefits generated by creative and informational works under a limited entitlements regime...new technologies or licensing mechanisms enable markets to form.<sup>29</sup>

Ultimately digital CMS will allow **content owners** to insist on greater protection than copyright law would afford. For example, in the nondigital world, the first sale of an object embodying a copyrighted work exhausts the copyright **owner**'s exclusive distribution **right**; digital CMS will enable the copyright owner to extend control over distribution indefinitely - in theory...

...access. O'Rourke suggests that these savings will accrue as the result of price discrimination; **content owners** will charge private individuals lower rates in exchange for subjecting them to use restrictions.<sup>38</sup>...remitting royalties to members, and will "present a simple, coherent menu of prices and other **terms** to **licensees**."<sup>52</sup>

Merges argues that government is inherently ill-equipped to undertake these tasks, because it has no reliable means of valuing intellectual property, because legislated **license terms** are comparatively inflexible, and because the legislative process is subject to capture by interest groups.<sup>53</sup> Moreover, he believes that the **licenses** administered by collective **rights** organizations will be "closely akin" to compulsory licenses, in that they will be available to...

...of economic analysis practiced by the cybereconomists, and implicit in the arguments offered by copyright **owners** to support strengthening their proprietary **rights**, rests upon a conceptualism of a different sort. "Contract," "market," and "property" - the efficient building...or a "special relationship" between copyright owner and consumer that is distinct from the copyright **owner**'s **rights** against the world.<sup>84</sup> Recently, the Seventh Circuit interpreted this test in a way that...

...and non-universality because the defendant consumer remained free to return the product and seek better **terms** elsewhere, and because the **license** would not bind an individual who found a copy of the work lying in the...copyright legislation and Merges's depiction of the rate-setting process under the legislated compulsory **license** for sound recording **rights**.<sup>99</sup> Nor is it entirely inaccurate; as Jessica Litman has documented, over the past several...property rights in digital works is inadequate at best. Determining the optimal degree of author/ **owner** control of digital **content** requires careful consideration of what system of entitlements would be most effective given the public...

...control in the rhetoric of contract and public choice. Ultimately, however, they contend that copyright **owners** should be afforded contract **rights** broad enough to accomplish virtually the identical result urged by Hardy, for virtually identical reasons...nor homogenous - nor, presumably, would we want it to be. Merges's discussion of performing **rights** societies (copyright collectives that **license** public performance **rights** in musical compositions) is not to the contrary. ASCAP and BMI, the two main performing...copying, but could not enforce it; educational and library organizations counter that in fact copyright **owners** have never had this **right** and cannot enforce a nullity.<sup>186</sup> But (as Hardy and Merges recognize) the debate about...management contracts and technologies in context, as the latest move in an ongoing contest between **content owners** and consumers regarding endogenous definition and enforcement of the legal

entitlements and exemptions provided by...various technical and academic markets are now underway.<sup>241</sup> Library organizations are working to develop **policies** for **licensing** and making available to patrons digital content provided on a pay-per-use basis, and...works than they would be under a regime of "strong" private-law rights, then digital **rights** management technologies and digital shrinkwrap **licenses** are a market failure waiting to happen. In that case, we might plausibly conclude that...law considers fair uses will not do so, either for economic reasons or because the **license** that governs usage **rights** forbids it. The locus of control over progress will shift slightly, toward existing authors and...

...of accepted practice in scholarly and research communities, because there now exist market mechanisms to **license** photocopying **rights**.<sup>370</sup> Thus, both decisions rest on the same narrow view of the fair use doctrine...within the neoclassical market-centered paradigm. Yet by maximizing the economic return to the digital **content owner** and externalizing the costs of decreased accessibility to members of the public, digital CMS may...hereinafter O'Rourke, Copyright Preemption]; Maureen A. O'Rourke, Drawing the Boundary Between Copyright and **Contract** : Copyright Preemption of Software **License Terms** , 45 DUKE L.J. 479 (1995) [hereinafter O'Rourke, Drawing the Boundary].

Footnote:

6. See...uk/ download.htm#finyear>.

Footnote:

The term "click-through" (or "click-wrap" or "web-wrap") **license** refers to a **contract** created by requiring the would-be purchaser of a digital work to accept various **usage** restrictions, via a series of mouse "clicks," before **granting access** to the work. Representatives of various copyright-related industries are now drafting a new Article...note 5, at 80. Indeed, the characterization of non-negotiable and essentially uniform mass-market **license terms restricting** use of intellectual property as "private legislation" originates with Merges. See Robert P. Merges, Intellectual...

...Copyright Preemption, supra note 5, at 82-84, 88-89 (suggesting that a mass-market **license term** that conflicts with copyright could be held invalid if it is not "reasonable" given market...

...particular reason to believe that creative ability will always correlate with market price for improvement **rights** , or that **owners** will be equally willing to **license** all types of improvements. See also Lemley, supra note 6, at 1048-61; Merges, Are...also O'Rourke, Drawing the Boundary, supra note 5, at 487-95 (discussing typical software **license terms** ); David A. Rice, Public Goods, Private Contract Prohibitions and Public **Policy** : Federal Preemption of Software **License** Provisions Against Reverse Engineering, 53 U. PITT. L. REV. 543, 552-67 (1992) [hereinafter Rice...]

...Under copyright law, the initial sale of a copy embodying the copyrighted work exhausts the **owner** 's **rights** to control the use or disposition of that copy. See 17 U.S.C. Sec...

...the first sale doctrine, software developers have attempted to characterize the initial transaction as a **license** of usage **rights** rather than a sale. See, e.g., O'Rourke, Drawing the Boundary, supra note 5

...

...REV. 621, 624-26, 632-34 (1997) [hereinafter Rice, Digital Information]. Taking their cue from **software** developers, major copyright **owners** ' associations and developers of digital CMS have adopted licensing terminology as the frame of reference...

...ProCD, Inc. v. Zeidenberg, 86 F.3d 1447 (7th Cir. 1996) (Easterbrook, J.) (holding shrinkwrap **license terms** that **restricted** ongoing use of product enforceable); Hill v. Gateway 2000, Inc., 105 F.3d 1147 (7th...

...Uniform Commercial Code rejects the majority viewpoint and adopts Judge Easterbrook's, treating most shrinkwrap **license terms** as enforceable **restrictions** that render the consumer's use subject to the copyright owner's ongoing control. See...supra note 49, at 696-97 (suggesting that constitutional considerations require preemption of standard form " **license terms** barring World Wide Web linking).

Footnote:

84. See ProCD, Inc., 86 F.3d at 1454...

...restrictions preempted in all cases. See Mark A. Lemley, Beyond Preemption: The Federal Law and **Policy** of Intellectual Property **Licensing** , 87 CAL. L. REV. (forthcoming Jan. 1999).

85. See ProCD, Inc., 86 F.3d 1447...

...of bargaining).

Footnote:

Under proposed Article 2B of the UCC, this distinction vanishes entirely, because **license restrictions** would bind third parties. See U.C.C. ART. 2B: LICENSSES (Annual Meeting Draft July...be near-costless). Instead, the proposed draft would afford consumers who enter into mass-market **licenses** a limited rescission **right** after purchase but before use. See U.C.C. ART. 2B: LICENSES (Annual Meeting Draft...

...to conduct a market analysis should be inferred to avoid preemption of "many" standard form **license terms** that conflict with copyright. See O'Rourke, Copyright Preemption, supra note 5, at 87-88...Legislation, supra note 100, at 305-21. For examples of recent and proposed legislation expanding **content owners' rights** , see, e.g., No Electronic Theft Act, Pub. L. No. 105-147 (codified at 18...also Merges, The End of Friction?, supra note 5, at 120-21 (arguing that property **rights** are necessary to protect **content owners** against third parties who may acquire copies of their works). On Hardy's and Merges...Lemley, supra note 6, at 1056-61 (discussing other reasons that might lead existing copyright **owners** to refuse **licenses** for socially valuable improvements). 131. As explained supra at text accompanying notes 24-32, digital...

...to decouple access and reuse rights. Thus, asserting control over reuse need not interfere with **content owners'** ability to market their works to consumers. On the question of how "better" progress is...omitting any mention of "innovation" or "free expression" and referring only generally to "fundamental public **policy** ." See U.C.C. ART. 2B: **LICENSES** (Annual Meeting Draft July 1998), supra note 24, 2B-105(b) & notes. 276. See U...

...state law rights). As noted above, however, courts have differed on the enforceability of "shrinkwrap" **license terms** as a matter of **contract**

law. See supra note 70. Proposed Article 2B would effectively overrule decisions denying enforceability. 278...encryption research. See DMCA, supra note 114, at 103. Finally, it provides that the extra **rights** granted to copyright **owners** shall not be construed to "enlarge or diminish any rights of free speech or the...THE ATLANTIC MONTHLY, July 1945, at 31-35.

Footnote:

361. The Copyright Act gives copyright **owners** exclusive **rights** to make and distribute copies of works and to authorize public performances and displays, not...note 136, at 13-14. Stefik and Silverman suggest a Digital Property Trust that would **grant** "fair use **licenses** " to qualified parties, who could then "exercise privileged rights on the digital work not normally...

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01635193 02-86182

**Asserting copyright's democratic principles in the global arena**

Netanel, Neil Weinstock

Vanderbilt Law Review v51n2 PP: 217-329 Mar 1998

ISSN: 0042-2533 JRNL CODE: AVL R

WORD COUNT: 55334

...TEXT: that WTO dispute settlement panels may and should allow for democracy-enhancing limitations to copyright **owner rights** in determining whether member states are in compliance with TRIPS. Section B contends that the...

...sector. Finally, Section D examines the controversy concerning the international versus national exhaustion of copyright **owner distribution rights** , an issue at the heart of one of the two copyright cases that the United...

...they might otherwise avoid. At the same time, however, the paradigm would provide for compulsory **licenses** for the production of export-**restricted** copies and translations of expressive works in countries in which, despite the theoretical possibility of...

...into the digital environment,<sup>25</sup> and whether copyright holders should be able, through shrink wrap **licenses** and web site access **agreements** , to contract out of such limitations and exceptions.<sup>26</sup> These and other deepening fault lines...independent thought and the robust exchange of ideas. Copyright doctrine should be tailored-and copyright **owner rights** should be defined and delimited-in ways that best further these constitutive goals.

Copyright, this...

...<sup>37</sup> Nor may a democratic copyright subsume all nontransformative uses within the ambit of copyright **owners** ' exclusive **rights** . Exact reproductions of existing works may sometimes add significant power and authenticity to democratic debate...

...objective. Paul Goldstein, for example, has posited that a robust

copyright, one in which copyright **owners** ' exclusive **rights** to original expression generally extends "into every corner where consumers derive value from literary and...instrumental to democratic governance, and copyright's constitutive ends require both adequate protection of copyright **owner rights** and adequate limits on those rights. Copyright, in other words, can and should effect a...the Agreed Statements accompanying the Treaty provide that both existing and new limitations on copyright **owner rights** may be appropriate in the digital environment.<sup>67</sup>

Recent efforts at copyright harmonization, in sum...

...to accord some minimum degree of copyright protection and to impose certain limitations on copyright **owner rights** ; (2) serve as an interpretative framework for nations' copyright treaty obligations; and (3) provide a...or hear and would thus lack the requisite financial incentive to invest in such activities. **Granted** , copyright may make audience **access** more expensive by restricting competition in the narrow market for each expressive work.<sup>110</sup> The...honor, not to misappropriate.<sup>220</sup> It may be that consistent, rigorous state enforcement of copyright **owner rights** could eventually alter that world view. But such a process would be far more extended...to accord some minimum degree of copyright protection and to impose certain limitations on copyright **owner rights** . Most of the world's countries already either adhere to the Berne Convention or are...<sup>317</sup> Under today's copyright law, even loose paraphrases and adaptations may infringe the exclusive **rights** of the copyright **owner** .<sup>318</sup> In that regard, moreover, the very uncertainty and threat of litigation over whether an...

...S. jurisprudence. Courts and commentators have noted that the First Amendment places limits on copyright **owner rights** .<sup>322</sup> While courts have resisted prescribing such limits by direct application of the First Amendment...

...by emphasizing that First Amendment values are manifested in the limitations and exceptions to copyright **owner rights** found in United States copyright law.<sup>823</sup> Similarly, national laws that provide an adequate breathing...the Treaty confirm that both existing as well as new exceptions and limitations to copyright **owner rights** may be appropriate in the digital environment.<sup>347</sup>

In sum, while other countries' commitment to...least some degree of flexibility to WTO member states in fashioning limitations (including circumscribed compulsory **licenses** ) to copyright **owner rights** ; (2) the need to supplement the regime of mandatory minimum standards of protection with mandatory...

...the required level of protection and the scope of permissible limitations and exceptions to copyright **owners** ' exclusive **rights** under TRIPS. They will also have to determine the extent of deference to give the ...

...may determine whether any of a full range of possible limitations and exceptions to copyright **owner rights** will run afoul of a country's obligations under TRIPS. It has been suggested, for...an allegedly noncomplying member state's good faith interpretation of TRIPS when limitations on copyright **owner rights** reflect the state's effort to accommodate free speech values.<sup>370</sup>

Panels have been understandably...

...the conference adopted an Agreed Statement providing that both existing and new limitations to copyright **owner rights** may be appropriate in the digital environment.<sup>377</sup> But while that statement is a step...

...of works that are noninfringing elsewhere, an expansionist country's overly capacious set of copyright **owner rights** may chill democratic discourse within that country.

A poignant example of the need for universal constraints on copyright **owner rights** -one that is peculiar to the digital environment-concerns the temporary, incidental storage of Internet...work upon payment of a statutorily set royalty when the copyright holder has failed to **license** reprint or translation **rights** in the developing country for a reasonable price and within a reasonable time after the...

...except to adjacent developing countries in which the copyright holder has similarly failed voluntarily to **license** the pertinent reprint or translation **rights**. Such a system would allow for domestic administration and setting of royalty rates in accordance...

...As a general rule, both Berne and TRIPS require that copyright holders be given exclusive **rights**, not subject to a compulsory **license**. The Appendix to the Paris Act ...royalties normally operating on licenses freely negotiated between persons of the two countries concerned."<sup>430</sup> **Licenses** may be **granted** only after a specified period in which a work is unavailable in the developing country...viewing, or listening to an authorized copy of a work does not invade the copyright **owner's rights** '); Robert P. Merges, The End of Friction? Property Rights and Contract in the Newtonian" World...

...when inconsistent with copyright limitations); Maureen A. O'Rourke, Drawing the Boundary Between Copyright and **Contract**: Copyright Preemption of Software **License Terms**, 1995 DUKE L.J. 479 (favoring contractual freedom within the bounds of antitrust and traditional...note 10, SEC. 5.3, at 5:79 (positing that broad copyright protection, including derivative **rights**, serves to give copyright **owners** an incentive to develop copyrighted works in line with consumer tastes); Wendy J. Gordon, Fair...the Declaration of Human Rights. The rights of organized society in paragraph (1) and the **rights** of the copyright **owner** in paragraph (2)."<sup>STEPHEN M. STEWART, INTERNATIONAL COPYRIGHT AND NEIGHBORING RIGHTS 5 (1989); see also...THE LAW 66-67 (1989) (discussing the First Amendment tension between public access and copyright **owner** exclusive **rights** ).</sup>

323. See supra note 48 and accompanying text (describing how United States copyright law incorporates...freedoms"); cf. Fewer, supra note 48 (calling for recognition of the need to limit copyright **owner rights** under the guarantee of freedom of expression in the Canadian Charter of Rights and Freedoms...548; see also DIETZ, supra note 49, at 137-60 (1978) (surveying limitations on copyright **owner rights** in European Community countries); U.N. EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION, THE ABC OF COPYRIGHT 35-41 (1981) (summarizing limitations on copyright **owner rights** in force in most countries).

Footnote:

344. See, e.g., The "School Book Case," In...embodies an uneasy compromise following a lengthy battle over developing country demands for substantially greater **rights** to allow for compulsory **licenses**, a battle



which threatened to dismember the international copyright regime. For a detailed account of...

...countries have invoked the Appendix may reflect developed country copyright holder willingness to agree on **license terms**, perhaps under the shadow of the Appendix, and a greater concern for authors' rights among ...

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01628559 02-79548  
**Patents, antitrust, and the WTO/GATT: Using TRIPS as a vehicle for antitrust harmonization**  
Marschall, Richard H  
Law & Policy in International Business v28n4 PP: 1165-1193 Summer 1997  
ISSN: 0023-9208 JRNL CODE: LPI  
WORD COUNT: 12964

...TEXT: under those rights.

By their nature, intellectual property rights raise antitrust concerns because they grant **owners** the **right** to exclude others from using the "property" without permission-and possibly with anti-competitive effects...

...system may be most compelling in the midst of a strong patent system. A patent **owner** is granted the **right** to exclude others from making, using, importing, offering to sell or selling the patented invention...

...law.

## II. THE PATENT-ANTITRUST INTERFACE

### A. General

As stated earlier, a patent grants its **owner** the **right** to exclude others from making, using, importing, offering to sell or selling the patented product...evident in the context of patent licensing.<sup>20</sup> Generally, a party (licensee) may acquire the **right** by contracting with the patent **owner** (patentee/ licensor) for immunity for an act that would otherwise be actionable as an infringement of the patent **owner**'s **rights**.<sup>21</sup> The resulting **agreement** is a patent "**license**" because the conveyance of a **right** under a patent does not amount to an assignment.<sup>22</sup> An assignment passes title in the patent to the assignee, along with the **right** to sue infringers. A **license**, on the other hand, does not pass legal title to the licensee.<sup>23</sup> If the...

...obtains a patent) retains anything more than an "insubstantial right" in the patent, then the **agreement** is a **license** rather than an assignment.<sup>24</sup> Determining whether a particular **agreement** is a **license** or an assignment is a highly fact-specific inquiry. A decision on this question determines...practice that occasionally runs afoul of the antitrust laws is the inclusion of grantbacks in **licensing agreements**. Grantback requirements in patent **licenses** allow a licensor to receive a license to any improvement patents acquired by the licensee...  
...practices are typically held to be valid under U.S. patent law. For example, territorial **restrictions**, in which the **license**'s usage is

limited to a certain area within the United States, are lawful.<sup>71</sup> Field of use **licenses** ( **restricting** the type of patented article a manufacturing licensee may make, use, and sell, and to...

...users) have also been held legal in many situations. The issues that arise in patent **licenses** and other **agreements** are myriad-this overview is meant to discuss only the most significant.<sup>74</sup>

2. Antitrust...of any "efficiency-enhancing integration of economic activity,"<sup>91</sup> which is generally associated with technology **licensing** , as noted above. Application of the **rule** of reason normally will require investigation of market circumstances to establish anticompetitive effects.<sup>92</sup>

Antitrust...law or the Licensing Guidelines. The rights of the corporation and the value of the **license agreement** in question may then vary widely, depending on which law will govern. This is a...

...S. perspective. Japan's antitrust law is governed by an "Antimonopoly Act"<sup>107</sup> and international **licensing agreements** entered into under a section of the act implemented in 1989.<sup>108</sup> The Japanese counterpart...

...that of the United States.<sup>110</sup> The Antimonopoly Act, unlike U.S. law, requires all **licensing agreements** to be filed with the Japanese Fair Trade Commission (FTC) to ensure that no illegal...

...many licenses invalid, many EU lawyers counsel their clients not to notify the Commission of **license agreements** .<sup>122</sup> Another flaw in the EU system is that national courts have no power to...

...restrictions. In addition, U.S. patentees do not need to clear the validity of any **restrictions** before they **license** . Therefore, U.S. law generally results in more **restrictive licenses** with lower value for the **licensee** . <sup>12</sup> If the highly developed laws of the "big three" produce highly disparate results, it...property rights granted in the TRIPS agreement. For example, article 28 of TRIPS defines the **rights** conferred on a patent **owner** ,<sup>166</sup> while article 30 allows for "Exceptions to Rights Conferred" if they "do not unreasonably...

...member states to justify compulsory licensing, may be what allowed developing countries to sign the **agreement** without great concern. Compulsory **licenses** can only have the effect of making investment in patented inventions less secure and less...

...if they could sit back, let others develop the technology, and then apply for a **license** out of **right** .<sup>173</sup> It is not surprising that compulsory licensing is "viewed as having no place in...<sup>21</sup>. See Schering Corp. v. Roussel, 104 R3d 341, 344 (Fed. Cir. 1997) (one patent **owner** can **license** others without a co- **owner** 's consent-insulating the licensee from infringement damages from the date of the license).

22...

...if a patentee retains the right to sue pursuant to the agreement in question, the **agreement** will be deemed a **license** rather than an assignment The Federal Circuit has exclusive jurisdiction over patent appeals from the...

...be forced into the litigation as a necessary party). 26. Whether the parties call the **agreement** a " **license** " or an "assignment" is not dispositive; the allocation of the rights between the parties will... infamously known as the "nine no-nos." See Bruce B. Wilson, Patent and Know-How **License Agreement** : Field of Use, Territorial Price and Quantity Restrictions, Remarks of the Special Assistant to the...

...Inc., 782 E2d 995 (Fed. Cir. 1986), is instructive. In Windsurfing, the patentee conditioned the **grant** of a **license** under a patent on the nonuse of the patentee's trademark. This is a common approach for companies that are willing to **license** the **rights** to build their product but do not want their name associated with the product, in...

...licensee believed that the patent owner was using his leverage as such to force the **licensee** to agree to **terms** beyond the scope of the patent. If these facts had been presented to the Supreme...on the Application of Article 85(3) of the Treaty to Certain Categories of Patent **Licensing Agreements** , OJ. L 219/15 (1984), corrected by O.J. C 115/34 (1995). 121. Sa...

...have the same result in the EU and the United States are tie-ins, package **licensing** , and **agreements** not to compete. See id. at 986-89. 125. Sa Phan, supra note 18, at...use. 166. Article 28, confers the following rights: 1. A patent shall confer on its **owner** the following exclusive **rights** : (a) . . . to prevent [others from] making, using, offering for sale, selling, or importing for these purposes that product; (b) [similar provision for . . . 2. Patent **owners** shall also have the **right** to assign, or transfer by succession, the patent and to conclude **licensing contracts** .

Footnote:

TRIPS, supra note 9, art. 28.

Footnote:

167. TRIPS, supra note 9, art 30...

...supra note 9, arts. 7, 8(1), 8(2). 171. Id. at 101. "A compulsory **license** is an involuntary **contract** between a willing buyer and an unwilling seller imposed and enforced by the state." Julian- ...that nations "harmonize their laws relating to intellectual property and antitrust, particularly with respect to **licensing agreements** , mergers, and joint ventures and should take care not to undermine foreign intellectual property rights...

...and national antitrust authorities). 191. Only obligations "not to challenge the validity of the licensed **right** " and "to respect the **license right** even though [the patent] may have expired" are singled out as illegal. Draft Antitrust Code...

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01432932 00-83919  
**Intellectual property antitrust**

06-Apr-06

Kolb, Daniel F; Cohen, Joel M; Wachsstock, Suzanne E  
 International Commercial Litigation A Guide to US Litigation Supplement  
 PP: 8-13 Dec 1996/Jan 1997  
 ISSN: 1359-2750 JRNL CODE: ICL  
 WORD COUNT: 4565

...TEXT: Congress in 1988 specifically amended the Patent Act to provide that attempts to tie the **grant** of a licence to the **licensee** 's **agreement** to purchase certain nonpatented goods will not be considered misuse unless the patent owner is...be acquired by a mechanism known as a grantback. This is a provision in a **licensing agreement** which requires the **licensee** either to assign back or to **license** to the patent **owner** any patents **granted** on improvements that the **licensee** develops based upon the patented product. Grantback provisions raise antitrust concerns because they may reduce...

...ie, can the licensee continue to use the improvements following their assignment back to the **licensor** ?); whether the grantback permits or **restricts** the granting of sublicences; the scope of the grantback (ie, whether it includes improvements beyond...

...patent regime, and substantially limit rivalry in the market for future innovations.

#### Antitrust analysis of **licensing** arrangements

**Licensing agreements** are an important means by which firms may maximize the economic potential of their intellectual...

...These benefits translate into lower costs and better products for consumers. So long as a **licensing** arrangement does not prevent or **restrict licensees** from developing, using or selling their products, therefore, most intellectual property licensing arrangements will not...

...competition.

In combination with certain restraints, however, licensing arrangements may raise significant antitrust risks. Because **licensing** arrangements are scrutinized under a **rule** of reason analysis, the courts will typically evaluate the market power of the licensor and...  
 ...have been actual or potential competitors in a relevant market in the absence of the **agreement** .

Some **licensing restrictions** are deemed so clearly ...invalid, because these arrangements are determined to lack any pro-competitive or efficiency-enhancing effects. **Licensing** provisions **restricting** the price or output of the **licensee** or licensor generally raise the most serious antitrust concerns. Other examples of per se illegal...

...A grant of a non-exclusive licence is, in effect, an agreement by the patent **owner** not to exercise its **right** to prevent the licensee from making, using or selling the patented good or technology. As non-exclusive licences do not **restrict** the **licensor** 's right to compete with the licensee in the use or exploitation of the intellectual...

...do not by themselves present antitrust concerns.

Exclusive licences, by contrast, do more than simply **grant** the **licensee**

the right to use the patented technology - they **restrict** the **right** of the **licensor** itself to **license** the technology to others, or even to continue to use the technology. Such arrangements, evaluated...  
...form of exclusivity, exclusive dealing, as an area of potential concern. This is a licence **term** which prevents or restrains the **licensee** from licensing, selling, distributing, or using competing technologies. Exclusive dealing arrangements are generally evaluated under...

...economic value in other areas, where it has the requisite technical or marketing capacity.

Geographic **restrictions** in **licensing** arrangements raise antitrust concerns where they represent a mere pretext for the parties' true anticompetitive...

...its anticompetitive effects, ought to be applied to tie-ins.

Cross-licensing, pooling and package **licenses** . Firms holding intellectual property **rights** may also enter into various forms of collective agreements for the exchange or sharing of these rights. Such **agreements** include cross- **licensing** and pooling arrangements, in which two or more **owners** of different patents agree to **license** one another or mutually select third parties to license under their patents. These arrangements may ...

...a patent holder groups a number of patents together in a single licence to a **licensee** . For example, a licensor might **grant** a licence on all of its patents in a particular area of technology. Like tying...

...Supreme Court, in Lear Inc v Adkins, examined the effect of clauses in intellectual property **licensing agreements** which limit or eliminate a **licensee** 's right to challenge the validity of the underlying patent. Concerned that such clauses would...

...s interest in eliminating invalid patents, the Court concluded that no-contest clauses in patent **licensing agreements** are unenforceable. Courts have generally declined to hold, however, that such clauses raise antitrust and...

...that discriminatory royalties are lawful if there is a rational basis for the distinctions between **licensees** .

Finally, licence **agreements** requiring a **licensee** to pay royalties for use after expiration of the patent, or connecting royalties to the...

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01413855 00064842

**Intellectual property rights in data?**

Reichman, J H; Samuelson, Pamela  
Vanderbilt Law Review v50n1 PP: 49-166 Jan 1997  
ISSN: 0042-2533 JRNL CODE: AVL R  
WORD COUNT: 56562

...TEXT: scope of the copyright monopoly. In addition, numerous exceptions to and limitations on the copyright **owner** 's exclusive **rights** also favor

certain uses of protected works, such as those for face-to-face teaching... lie, and originators, including public bodies benefitting from a natural monopoly, would be obliged to **grant licenses** for commercial reexploitation of the data in question on fair and nondiscriminatory terms.<sup>135</sup> The...affect the "potential market" for any given database.<sup>234</sup> At the same time, the database **owner** 's potentially perpetual derivative work **right** flowing from continuous updates, which is subject to no public domain exceptions whatsoever, becomes even...

...persons within an organization or entity in lieu of . . . authorized additional use or reuse . . . by **license** , purchase, or otherwise."<sup>241</sup> Given such **restrictions** , one is hard pressed to imagine unauthorized uses of an insubstantial component that the drafters...

...of data. Every unauthorized use or reuse of existing data thus potentially violates the database **owner** 's unbounded derivative work **right** . Furthermore, the existence of this potential violation is determined without regard to the substantiality of...the extent to which the public interest has been sacrificed to the private interests of " **right owners** , who . . . are generally very well-represented at the (national and international) legislative level."<sup>281</sup>

IV...many firms that add value to existing information products.<sup>330</sup> Though some value-adding enterprises **license** the **right** to extract and reuse data from the initial compilers,<sup>331</sup> others do not.<sup>332</sup> Value...Indeed, protecting this market was Rural's reason for denying Feist's request for a **license** .<sup>352</sup>

Besides these anticompetitive **policy** implications for valueadding providers who extract and reuse the content of other firms' databases, an ...many database markets, moreover, the very uncertainty it engenders concerning the scope of a database **owner** 's **rights** might favor negotiated terms that approximate those of a more competitive market. A second, and...markets that are, or would readily become, competitive.

The second mechanism consists of an automatic **license** built into the modified liability **right** itself.<sup>434</sup> In the database milieu, one can plausibly implement this device in different ways...

...calling for arbitration to resolve disputes in the event that the parties to the nonvoluntary **license** could not agree on **terms** .<sup>436</sup> Alternatively, the automatic **license** could become universally available at the end of the initial blocking period, in which case...would be no opportunity to perpetuate protection of pre-existing data.

While experience with compulsory **licenses** that undermine strong exclusive **rights** regimes, notably patents, elicits mixed reviews,<sup>440</sup> a built-in automatic license is ideally suited...reasonable royalties for their reuse of any borrowed subcompilations of data under the standard, automatic **licensing** provisions for the full **term** of protection.

A more detailed discussion of these modified liability principles exceeds the scope of...the definition of a protectible database should be narrowed so as to exclude ideas and **contents** of scientific theories, and database **owners** should never possess the **right** to preclude access to otherwise publicly accessible data when sought for purposes of basic scientific... example, a general clause governing licenses in the database law can

expressly provide that all **licensing** and distribution **agreements** effected under such a regime must be made "on fair and reasonable terms, with due...supply the data on reasonable terms and conditions.478 Should Congress ultimately adopt an exclusive **rights** regime for database **owners**, rather than the unfair competition or modified liability models suggested above, such a regime could...the fair use exception applies to all subject matter categories. Even so, overriding the copyright **owner**'s exclusive **rights** in the name of fair use remains an atypical result contingent on a judicial evaluation...anti-competitive conduct in copyright cases); David A. Rice, Public Goods, Private Contract and Public **Policy**: Federal Preemption of Software **License** Prohibitions Against Reverse Engineering, 53 U. Pitt. L. Rev. 543, 622-28 (1992) (considering whether...concerning the U.K. standard. In the final E.C. Directive on Databases, the copyright **owner**'s exclusive **rights** are broadened to include "temporary or permanent reproduction by any means and in any form...who obtain database contents by online transmission will not have acquired a copy in which **rights** of the database **owner** would be exhausted. Final E.C. Directive on Databases, 1996 O.J. (L 77) at...

...in the final version of the European Directive may have the effect of providing database **owners** with virtually perpetual **rights** to the data in their databases. See also Clark, The Copyright Environment for the Publisher...sought a number of amendments to the Copyright Act of 1976 that would strengthen the **rights** of copyright **owners**. See U.S. White Paper, Appendix 1 (cited in note 64); National Information Infrastructure Copyright...

...H.R. Rep. No. 2441, 10th Cong., 1st Sess (1995). These would grant to copyright **owners** a new "exclusive **right** of transmission," see U.S. White Paper at 212 (cited in note 64); a provision...States and European Community, 8 High Tech. L. J. 25, 88-96 (1993) (concluding that **contracts**, or at least shrink-wrap **licenses**, that prohibit reverse engineering are preempted by federal intellectual property law); Julie E. Cohen, Reverse...

...proposing statutory amendments to copyright law, the U.S. White Paper seeks to extend the **rights** of copyright **owners** by, among other things, interpreting the Copyright Act of 1976 as favoring strong protectionist positions...the result of successful "lobbying." Intermediaries and users applying for specific limitations must realize that **right owners**, who will oppose any limitation as a matter of principle, are generally very well represented...come out differently under U.S. antitrust law.

Footnote:

313. Current U.S. antitrust enforcement **policies** seldom treat intellectual property **licensing** or other practices as "per se" violations. Normally, such licensing practices are viewed as prima...719, 722 (1989) (discussing the West Publishing litigation).

332. For example, Feist Publications did not **license** the **right** to extract white-page listings from Rural's telephone directory. See Feist Publications, 499 U...administrative or judicial procedure." This suggests that, unless they adopt such a limitation on database **owner rights**, governments may be constrained in acquiring data or information from the private sector when a...could have sought arbitration to resolve their dispute. An arbitrator might have looked to the **terms** of the **licenses** Feist had obtained from other telephone companies for guidance about what price and other **terms** were appropriate for such a **license**. The automatic license might have produced a similar outcome on facts like those

in the...

...as unreasonably anticompetitive in some circumstances.

436. The draft Directive's linkage of an automatic **license** , a duty to negotiate **terms** , and a resort to arbitration in case the parties fail to agree has parallels in...Int'l Rev. Indus. Prop. & Copyright L. at 464 (cited in note 44) (noting that **licensing agreements** "may consequently require libraries

Footnote:

to waive privileges" under new or existing laws, including copyright...of the Uruguay Round at 381 (cited in note 1) (allowing states to impose compulsory **licenses** on foreign patentees only if, prior to the **grant** , "the proposed user has made efforts to obtain authorization from the rightholder on reasonable commercial...

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**Royalty methods for intellectual property**

DeSouza, Glenn

Business Economics v32n2 PP: 46-52 Apr 1997

ISSN: 0007-666X JRNL CODE: BEC

WORD COUNT: 4933

...TEXT: significant and risk-free source of profits. For example, in September 1996, Donna Karan International **granted** Designer Holdings Ltd. a thirty-year **license** to produce, sell and distribute DKNY men's and women's jeanswear. In return Donna...

...and literary, musical or artistic composition;

3. Trademarks, trade names, or brand names;

4. Franchises, **licenses** , or **contracts** ;

5. Methods, programs, systems, procedures, campaigns, surveys, studies, forecasts, estimates, customer lists, or technical data...

...to the inventor by action of the Patent and Trademark Office. The patent provides its **owner** with the legal **right** to exclude others for a period of seventeen years from making, using or selling the...considered in determining the comparability of the licensing transaction are:

1. The duration of the **license** , **contract** or **agreement** , and any termination or renegotiation rights;

2. The terms of transfer, including the exploitation rights...comparable transactions to support their positions. The IRS submitted evidence of a transaction involving a **licensing** and manufacturing **agreement** for a 3 1/2 inch disc drive as support for its claim that a...

...the benefits produced by the technology.



The simplest way to split the TIC between the **licensor** and **licensee** is to use a **rule** of thumb. Caves, who did a study of technology licenses, writes that "in an imperfect **license** market, the monopolist **owner** of a technology cannot fully approximate maximum rent. . . the bargaining appears to yield between one...Venture Profit Strategies, New York: John Wiley & Sons, (1993), p. 5.

3 See "Donna Karan **Grants** Designer Holdings **License** to DKNY Jeans," in The Wall Street Journal Interactive

Footnote:

Edition, October 12, 1996.

4 See "Amgen **Licenses** Drug **Rights** to Japanese Company," in The Wall Street Journal Interactive Edition, June 14, 1996.

5 For...

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01381863 00-32850

**Managing intellectual capital: Licensing and cross-licensing in semiconductors and electronics**

Grindley, Peter C; Teece, David J

California Management Review v39n2 PP: 8-41 Winter 1997

ISSN: 0008-1256 JRNL CODE: CMR

WORD COUNT: 15062

...TEXT: scale interference was a novel problem, there was no well developed means of coordinating cross- **licensing agreements** between these groups.

The situation was resolved in the U.S. only when, under prompting...

...the technology for use in other fields or as suppliers to RCA. The RCA cross- **licensing agreements** became a model for the future.<sup>16</sup>

The case shows that because of the reluctance...

...design freedom was soon experienced in other fields of electronics and resulted in patent cross- **licensing agreements** . One of the most influential firms in shaping the industry practices was AT&T, whose **licensing** and cross- **licensing policy** , especially from the 1940s until its breakup in 1984, has been crucial to the development...

...practices in U.S. electronics and semiconductor industries.

Over its long history, AT&T's **licensing policy** has had three phases, reflecting changes in its overall business strategy. First, from AT&T...

...minimal fees. Reasons of technology access similar to those in radio led to patent cross- **license agreements** between the major producers of telephone equipment, starting in the 1920s. This developed into a...patents controlled by the Bell System to any applicant at "reasonable royalties," provided that the **licensee** also **grant licenses** at reasonable

royalties in return. AT&T was also required to provide technical information with...

...especially when considered in parallel with that at IBM.<sup>20</sup>

To a large extent, the **licensing terms** in AT&T's 1956 decree simply codified what was already AT&T policy. As...

...a source of funds for R&D, as Bell Labs research was largely funded by the "**license contract fee**," assessed on the annual revenues of the Bell operating companies. This very stable source...

...it needed, while contributing enormously to innovation in telecommunications, computers, and electronics worldwide.<sup>23</sup>

The **terms** of AT&T's **licenses** set a pattern that is still commonplace in the electronics industries. The "capture model" was defined in the consent decree.<sup>24</sup> Under this arrangement, the **licensee** is **granted** the right to use existing patents and any obtained for inventions made during a fixed...

...years, followed by a survivorship period until the expiration of these patents and with subsequent **agreement** renewals. The open **licensing** regimes this led to were persistent, since with the long survivorship period on many of...

...there was limited scope to introduce more stringent conditions for new patents.

AT&T's **licensing policy** had the effect of making its tremendously large IP portfolio available to the industry worldwide...

...the wealth generation capability it established abroad and in the United States

The traditional cross- **licensing policy** of AT&T was greatly extended following the invention of the transistor. Widespread "field-of... technology but was also subject to a consent decree in 1956 that had certain compulsory **licensing terms**. Under the IBM consent decree, IBM was required to **grant** non-exclusive, non-transferable, worldwide **licenses** for any or all of its patents at reasonable royalties (royalty free for existing tabulating...

...the industry through agreements with companies like Hitachi, Toshiba, Canon, and Cyrix." Patent and technology **licensing agreements** earned \$640 million in cash for IBM in 1994.<sup>29</sup> IBM is one of the...

...borne out in public statements by the company.<sup>30</sup> For IBM, the main object of its **licensing policy** has been "design freedom," to ensure "the right to manufacture and market products." To be...

...and royalty rate determination process at Texas Instruments (TI) illustrates the ways in which cross- **licensing agreements** are used in practice. TI has two main licensing objectives. The first and primary objective...

...portfolio, by generating royalty income. The purpose and result of royalty payments received under cross- **licensing agreements** is "competitive re-balancing," which equalizes the net cost and profit advantage for imitators who...typically non-exclusive and rarely include any trade-secret or know-how transfer or sublicensing **rights**.<sup>38</sup>

In a cross- **license** , technology is not usually transferred, as the parties each are capable of using the technology...

...IP currently in use.<sup>40</sup>

(Table Omitted)

Captioned as: TABLE 2.

In the semiconductor industry, **licensing agreements** sometimes go further, and may include transfer of trade secrets and know-how. However, trade...

...capabilities otherwise inaccessible.<sup>41</sup>

Types of Cross-Licenses

There are two main models for cross- **licensing agreements** in the semiconductor industry: "capture" and "fixed period." In the "capture" model the licensee has...

...model the licensee has similar rights to use patents existing or applied for during the **license** period, but with no survivorship **rights** once the **license** period has expired. This requires full renegotiation of the cross-license for succeeding periods.

TI...

...a long period. The fixed period model allows more flexible commercialization of patent portfolios, since **licensing terms** can be periodically adjusted to account for changes in competitive conditions and the value of...by the firm with the less valuable portfolio.<sup>43</sup> This royalty rate applies to the **licensee** 's sales for the **term** of the **license** . When the **license** expires the same procedure will be used to reevaluate the relative portfolio values for the...

...not. Even so, there are often other considerations to include in final negotiations of a **licensing agreement** . Much depends on the individual needs of the parties, their negotiating strength, and the broader...

...licensors and the cumulative royalty payments become onerous. This can create serious problems in negotiating **agreements** with would-be **licensees** . There does not seem to be an easy solution to this problem, given that agreements...in one product group to interfere with those in another. This leads to a long- **term** bias towards meaningful cross- **licensing agreements** and a soft approach to royalties. HP recognizes that it is likely to deal with...

...products where HP has a strong leadership position (e.g. printers), it is unlikely to **license** out its core IP **rights** . HP's IP policy in this area is aimed, as it must be, at the...

...as part of a specific strategic alliance and would normally exclude such technology from cross- **licensing agreements** .

The form of the cross- **license agreements** is quite standard, with a limited capture period, usually with survivorship rights. The objective is ...

...licensing leaves fewer innovations that could be treated as exclusive.

Even after a patent cross- **license agreement** is concluded, HP **policy** is not to over-use the technology of the other party to the agreement. This is again related to a long- **term** view of **licensing** . The **agreement** will probably need to be renewed in the future and the more of the other... license, where a single patent may be licensed, if it has specific value to a **licensee** . **Licensing terms** in either case are usually very simple, amounting to an agreement to allow use of...

...its own systems development. It was barred from competing in product markets, so it cross- **licensed** on liberal **terms** with the aim of stimulating development and obtaining access to new technology.

A primary concern...primarily for their value in earning royalties or for trading IP rights in future cross- **licensing agreements** .

Furthermore, for long- **term** success, firms typically need to be closely involved with the markets in which they operate...long as it creates quality patents in a field that one's competitors need to **license** .

#### **Policy Issues**

Intellectual property is more critical than ever to competitive advantage and, as a result...

...competitive advantage merely by virtue of engaging in "copycat" imitation. If both parties to a **licensing agreement** have contributed similarly to a product field-of-use in terms of the number, quality, product...patents, even when developed independently, will inevitably overlap technological domains worked by other firms. Cross- **licensing agreements** provide firms active in RSD with protection against inadvertent infringement and the rights to use...

...would take them into account.

The old regime-whereby the antitrust authorities pressed major IP **owners** to give up whatever **rights** they held, where the courts were reluctant to enforce IP rights and were eager to...op. cit., pp. 180-186; Maclaurin, op. cit., pp. 99-110.

15. RCA concluded cross- **license agreements** with firms including GE, Westinghouse, AT&T, United Fruit Company, Wireless Specialty Apparatus Company, Marconi...

...195; Maclaurin, op. cit., p. 107.

Footnote:

16. A distinction was that the RCA cross- **licenses** typically **granted** (reciprocal) exclusive **rights** to use the patents in given territories or markets, compared with the non-exclusive cross...

...and later Westinghouse) included provisions for the supply of components to RCA. The RCA cross- **licenses** were for very long **terms** -many for 25 years, from 1919 to 1945. They covered current and future patents. Other...

...manufacturers took licenses with RCA, starting in the late 1920s. Some of RCA's cross- **licensing policies** were later questioned on antitrust grounds, and modified following a consent decree in 1932. Archer...

...licensed to others on request. Licenses for the 8,600 patents included in existing cross- **licensing agreements** were royalty free to new applicants, and licenses to all other existing or future patents...are often based on projected royalties (and hence may be little worse than freely negotiated **licensing terms** ) they are less potent, unless multiplied by the court. 41. For the economics of technology...

...Strategy, and Policy: Cases and Stories (Oxford: Oxford University Press, 1995). 48. However liberal the **licensing terms** , the patent holder should not inadvertently assign away IP rights beyond those specifically needed to...Brooktree Corporation, a small semiconductor design company in San Diego, which concluded a favorable cross- **licensing agreement** with TI in 1993.

67. See E. Sherry and D. Teece, "The Patent Misuse Doctrine...

12/K/11 (Item 11 from file: 15)

DIALOG(R)File 15:ABI/Inform(R)

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00938833 95-88225

**Does licensing require new access control techniques?**

Hauser, Ralf C

Communications of the ACM v37n11 PP: 48-55 Nov 1994

ISSN: 0001-0782 JRNL CODE: ACM

WORD COUNT: 5402

...ABSTRACT: identifying several weaknesses. Stateful access control is proposed as the future scheme combining AC and **licensing** , explaining it in **terms** of component technologies, and an architecture is provided to integrate these components. ...

...TEXT: I will then propose stateful access control (SAC) as the future scheme combining AC and **licensing** , explaining it in **terms** of component technologies, and provide an architecture to integrate these components. Next, I will discuss...

...distributed file system (DFS) client,\* an AC decision function (ACDF) is invoked, which decides whether **access** should be **granted** .

\* AC enforcement then ensures that code is read from the server only legitimately.

In this...clock, a random number generator, an encryption facility, and a secure memory for so-called **Rights -To-Execute** (a sort of " **license** tokens"). Herzberg and Pinter proposed a similar architecture [10], requiring a trusted CPU or coprocessor...

...large amounts of data using cut-and-paste methods.

As under the legal notion of **licenses** , code **owners ' rights** are reduced. **Owners** can still delete, rename, move and execute **licensed** code, but cannot **grant** others **access** to it nor copy it to another file that does not have the same access...number of licenses installed, differentiation between hardware platforms, number of required licenses).

\* It checks whether **licenses** are currently available.

\* If yes, it **grants access** and adds at the **license type** and expiration date to the database of currently issued licenses.

The DFS client behaves...

...regular AC to choose MAC, a mandatory control of the L-bit with the following **rule** is advocated:

All applications taking **licensed** files as input and creating other files as output create only licensed output unless trusted...

...be a part of the shutdown procedure. A trusted AC administrator might also have the **right** to reassign **licenses** in the case of involuntary disruption.

#### Security of Decision Parameters

User authentication. In modern systems...are very generic with respect to the restriction information they can carry (e.g., the **license - granting** decision parameters). But they always involve a full authentication exchange (potentially even cascaded), which is...

...new policies.

Number of concurrent users. By always broadcasting a request for a census before **granting access** to **licensed** code, statelessness of a server could be achieved. However, this would require the denial-of...

12/K/12 (Item 12 from file: 15)  
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00919227 95-68619  
**Licensing ABCs**  
Korn, Irene  
Incentive v168n9 PP: 201-208 Sep 1994  
ISSN: 1042-5195 JRNL CODE: IMK  
WORD COUNT: 2758

...ABSTRACT: program added value. As with any other kind of marketing or incentive effort, the cardinal **rule** is to know the market. Whatever **license** is chosen should ideally be an extension of the image a product or company already...

...several negotiable points to be worked out with the licensor, including:  
1. time frame, 2. **approval**, 3. parameters of **license**, 4. exclusivity, 5. fees, and 6. reporting and payment methods.  
...TEXT: Turner Broadcasting, have their own licensing department. Others work through licensing agents, who represent the **license 's owner**, **granting** the **rights** of the property.

In either case, you'll need to work closely with your own...  
...the whole procedure for you, from creating the package to being your representative for the **license**, from negotiating with the **owner** of the property to pulling all the pieces together.

Planning Ahead

Whether you're interested...

...they want to do it? Can they do it? Are there any conflicts with existing **licensing agreements** ? Will this enhance their own image? Are they going to make money from it?

Assuming...

...months to a year, which is shorter than the one to three years for retail **licensing agreements** . "What works this year might need to be fine-tuned for next year says Strottman...to set the minimum at 100,000. Sometimes an advance is also part of a **contract** : money paid to the **licensor** based on a percentage of the royalties expected from the guaranteed minimum.

To see if...

12/K/13 (Item 13 from file: 15)  
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00716217 93-65438

**The sinking of the United States electronics industry within Japanese patent pools**

Taylor, David S

George Washington Journal of International Law & Economics v26n1 PP:  
181-212 1992

ISSN: 0748-4305 JRNL CODE: JIL

WORD COUNT: 12800

...TEXT: manufacturer whereby Go-Video would either: (1) manufacture the dual-deck VCR itself under a **licensing agreement** ; (2) purchase the essential component parts to the dual-deck VCR and assemble the VCRs...

...from the United States by boycotting and refusing to deal with anyone who sought to " **license** , **contract** , or subcontract the manufacture of dual-deck VCRs to be marketed in the United States...any asset that may substantially lessen competition or tend to create a monopoly.(113) The **term** "asset" includes patents and exclusive **licenses** .(114)

**3. ENFORCEMENT OF THE ANTITRUST STATUTES**

The U.S. antitrust laws are enforceable by...may become unlawful when taken in concert.(148) For instance, " patent pools and cross- **licensing agreements** may be permissible! when formed in a legitimate manner for legitimate purposes,"(149) but are...

**...OF PATENTS AND ITS IMPLICATIONS ON U.S. ANTITRUST LAW**

Patent pooling occurs when patent **owners** agree to **license** each other the use of their patents.(151) More specifically, patent pools involve mutual agreements between "two or more patent **owners** ...to waive exclusive **rights** under their respective patents so as to grant each other rights and/or to grant...of licensing large numbers of patents through the creation of a single entity capable of **granting** licenses under all the patents.(165) Without the pool, individual negotiations between various patent owners and...

...the four firms with the right to use each others' patents, as well as the **right** to **license** others to use the pooled patents.(181) The sole **restriction** on **licenses** **granted** from the pool was an obligation to share the royalties received under the licenses.(182)...extend his monopoly beyond the legal monopoly granted under the patent.(189) As a general **rule**, the **owner** of a patent may **license** to whomever he or she wants, or simply refuse to license at all.(190) In...at 14-15.

91. Id. at 17-18. Samsung, a Korean manufacturer that had been **granted** **access** to the Japanese consumer electronics patent pool, was originally named as a defendant in the...Haas Co., 448 U.S. 176, 215 (1980) (refusing to force the patent holder to **grant** a **license** ); Extractol Process. Ltd. v. Hiram Walker & Sons. Inc., 153 F.2d 264, 268 (7th Cir...

12/K/14 (Item 14 from file: 15)  
DIALOG(R) File 15:ABI/Inform(R)  
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00712484 93-61705

**Industrial property: Brazil seeks to erase black marks**  
Araujo, Theodoro  
International Corporate Law n25 PP: 35-39 May 1993  
ISSN: 0961-5326 JRNL CODE: ICL  
WORD COUNT: 3735

...ABSTRACT: the Brazilian congress a bill to enact a new Industrial Property Code with more liberal **rules**. Brazilian registration, assignment, and **licensing** of patents and trademarks are regulated by the Industrial Property Code. In certain aspects, practice...  
...TEXT: the applicant has no form of legal redress against third parties for violation of patent **rights** and, although allowed to **license** the patent **rights** (after the request for technical examination), he is not allowed to pay and/or remit...has commenced, it must not be interrupted for more than one year, or the patent **owner** may be obliged to **license** the patent to a third party (who has the right to then request a licence...

...limitations on the ownership, use and licensing of industrial property rights peculiar to Brazil.

The **approval** and registration of a **license** **agreement** by INPI is a sine qua non condition for payments of royalties abroad under the...

...income tax by Brazilian companies for tax purposes.

Under Resolution 22/91 INPI classifies the **license** **agreements** according to their aim, in four categories:

- \* licensing of patents;
- \* licensing of trademark use;
- \* technology supply (know-how); and
- \* technical services **agreements**.

To be **licensed**, both patent and trademarks must have been previously registered in Brazil. In the event they are **licensed** after application



but before registration has been **granted** , the effects of the licensing, for tax and exchange control purposes, will only take place...

...Brazilians difficult or impossible. Similarly, INPI continues to be obstinate in its refusal to register **agreements** whose purpose is know-how **licensing** , since, in this case, the knowledge is not actually transferred, but remains in the possession of the **licensor** .

Finally, technical services **agreements** must have as their object:

- \* engineering services;

- \* the supply of planning and programming methods;

- \* research...Art. 11, Res. 22/91).

A registered trademark entitles the holder to royalties through a **licensing agreement** during its first 10-year period of validity. There is no entitlement to royalties on...

...tax deductible, although it may be remitted through the Central Bank in foreign currency.

#### MAXIMUM TERM FOR CONTRACTS

Patents are **licensable** for the **term** of their life, as of the date of application.

Know-how patents were in the...

...30, Sect. 3).

- \* In the case of patents, a clause must be included in the **agreement** stating that all improvements the **licensee** may bring to the product will be of the exclusive property of the licensee. In...

...use his own trademark together with the licensed mark. For products not covered by the **contract** the **licensee** must use only the trademark.

- \* For technology transfer contracts it must be established in the...

12/K/15 (Item 15 from file: 15)  
DIALOG(R) File 15:ABI/Inform(R)  
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00614721 92-29824  
**Technology License Agreements**  
Sherman, Andrew J.  
D&B Reports v40n3 PP: 42 May/Jun 1992  
ISSN: 0746-6110 JRNL CODE: DBR  
WORD COUNT: 732

#### **Technology License Agreements**

ABSTRACT: A technology transfer and **licensing agreement** is often made between an entrepreneur that has technology but lacks resources to penetrate the...

...arrangement can work well if there is an agreement that protects the

interests of the **licensor** . As a general **rule** , a well-drafted agreement should address the following: 1. scope of the grant, 2. term...

...confidential nature and acknowledge ownership of the intellectual property being disclosed in connection with the **license agreement** .  
TEXT: A technology-transfer and **licensing agreement** can be made between companies and inventors of all shapes and sizes. However, it is...  
...that can work well if there is an agreement that protects the interests of the **licensor** .

**Agreements** can be limited to a very narrow component of the **owner 's** intellectual property **rights** or be much broader in context. In a classic technology-transfer agreement, an entire bundle...

...property back if the licensee fails to meet its obligations.

#### NECESSARY SAFEGUARDS

As a general **rule** , any well-drafted **license agreement** should address the following:

\* **SCOPE OF THE GRANT** . Any restrictions on the geographic scope, rights of use, permissible channels of trade, restrictions on...

...minimum royalty to be paid regardless of the licensee's actual performance.

\* **PAYMENTS TO THE LICENSOR** . Virtually every type of **license agreement** includes some form of initial payment and ongoing royalty. Royalty formulas vary widely and may...

...an opportunity to enforce these standards and specifications, such as a right to inspect the **licensee 's** premises; a right to review, **approve** or reject samples produced by the **licensee** ; and a right to review and **approve** any packaging, labeling or advertising.

\* **INSURANCE AND INDEMNIFICATION**. You should ensure that the licensee has...

...nature and acknowledge the ownership of the intellectual property being disclosed in connection with the **license agreement** . Any required notices or legends that must be included on products or materials distributed in connection with the **license agreement** (such as the status of the relationship or actual owner of the intellectual property) should...

...These may include warranties such as absence of any known infringements of the technology or **restrictions** on the **right** to **license** the technology.

\* **INFRINGEMENTS**. The **agreement** should contain procedures under which the licensee must notify you of any known or suspected...

12/K/16 (Item 1 from file: 148)  
DIALOG(R) File 148:Gale Group Trade & Industry DB  
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13028295 SUPPLIER NUMBER: 66763185 (USE FORMAT 7 OR 9 FOR FULL TEXT)

**Licensing intellectual property and technology from the financially-troubled or startup company: prebankruptcy strategies to minimize the risk in a licensee's intellectual property and technology investment.**

Cieri, Richard M.; Morgan, Michelle M.

Business Lawyer, 55, 4, 1649

August, 2000

ISSN: 0007-6899

LANGUAGE: English

RECORD TYPE: Fulltext

WORD COUNT: 29025

LINE COUNT: 02384

... and technology.

Intellectual property and technology typically are not sold outright because it divests the **owner** of all **rights** in the property, including the right to receive a portion of the income generated by...

...intellectual property and technology of a financially-troubled or startup company usually enters into a **license agreement** with the company, which makes the entity's access to and use of the intellectual...

...the survival of the intellectual property and technology owner as an on-going business. A **license agreement**, in turn, basically is a waiver of the owner's (i.e., the licensor's...

...for a license fee or royalties. If the licensor's financial condition remains healthy, the **license agreement** may be a win-win situation for both the licensor and the licensee, allowing the...

...the company will file for bankruptcy, which may change, if not terminate, the parties' prebankruptcy **license agreement**. In bankruptcy, the **license agreement** most likely will be characterized as an "executory **contract**," because both the **licensor** and the licensee will have unperformed obligations under the **agreement**. The **licensor** thus may reject the **agreement** and purge itself of all obligations thereunder.(4) In many circumstances, the licensee may be...

...options under the Bankruptcy Code(5) are either to continue performing its obligations under the **license agreement** (which option provides the **licensee** uninterrupted use of the intellectual property and technology in exchange for a waiver of all claims against the **licensor**)(6) or to terminate the **agreement**.(7) Neither option provides the **licensee** with the full benefit of its prebankruptcy bargain.

So what should an entity desiring to...

...A GOOD BUT NOT COMPLETE ANSWER

As previously noted, the risk in entering into a **license agreement** to use the intellectual property and technology of a financially-troubled or startup company is...

...licensor's rejection of a license under section 365 of the Bankruptcy Code terminated the **license agreement** and all of the **licensee's** rights thereunder.(9) Thus, upon rejection of the **license agreement**, these courts required the **licensee** to return the licensed property to the debtor/licensor's estate and only gave the...

...operation of the licensee's business, a court's determination that the rejection of the **license** terminated the licensee's **rights** thereunder could possibly cripple the licensee's business operations.(11)

Recognizing the detrimental impact that...

...Intellectual Property Act amended section 365 to add a new subsection, section 365(n), which **grants** a **licensee** limited protections during the postpetition, pre-rejection period and upon the rejection of a **license agreement** by a debtor/ **licensor** . As the legislative history to the Intellectual Property Act explains, section 365(n) "corrects the...  
...explains the basic protections provided by the Bankruptcy Code to any nondebtor party, including a **licensee** , to a prebankruptcy executory **contract** with a debtor. The section then analyzes the special protection provided by the Bankruptcy Code to a nondebtor **licensee** to a prebankruptcy **license agreement** with the debtor/ **licensor** . Finally, this section summarizes the risks still facing a licensee despite section 365(n) of...

...possession may, in turn, assume, assume and assign, or reject this intellectual property and technology **license** as an executory **contract** under section 365(a) of the Bankruptcy Code.(17)

An Intellectual Property and Technology License...

...through a sale or an assignment or transfer a limited interest in the bundle of **rights** through a **license** .(20) If the **owner** sells or assigns its **rights** in the intellectual property and technology, the transaction divests the **owner** of all **rights** in the intellectual property and technology, including title (but, unless otherwise provided in the agreement...

...transaction is structured as something less than a sale or an assignment, i.e., a **license** , the **owner** retains title to the intellectual property and technology and such property (and the **owner** 's interest in the **license** itself) becomes property of the **owner** /debtor's bankruptcy estate.

A Sale of Intellectual Property and Technology

An outright sale of intellectual property and technology typically entails the transfer of all of the **owners** ' exclusive **rights** in the intellectual property and technology. Such a complete transfer divests the original **owner** of all **rights** in, including the right to sue for future infringement of the intellectual property and technology...

...royalties or to sue for future infringement, the sale may be viewed as a disguised **license agreement** , and both the intellectual property and technology, and the parties' agreement, may become property of...

...and technology typically is defined as an immediate and irrevocable transfer of all of the **owner** 's **rights** in the property.(25) An assignment, however, is not limited to a transfer of all of the **owner** 's **rights** in the intellectual property as a whole. Rather, it may include a transfer of only...

...rights under a patent in a particular geographical region or any one of a copyright **owner** 's exclusive **rights** under section 106 of the Copyright Act.(26) As in the sale context, the critical respective rights in the property.(27) If the **owner** is relinquishing all of its **rights** in and title to the intellectual property and technology or all of its rights in ...

...the licensee to use the intellectual property and technology for the purposes specified in the **license agreement** and protects the **licensee**

from an infringement suit(34) by the licensor for such use. Indeed, licenses commonly are...

...the interest in the intellectual property and technology transferred to the licensee.(37) Additionally, a **license** should specifically reserve to the **owner** /licensor those interests in the intellectual property and technology not transferred to the licensee.(38)

An Intellectual Property and Technology **License Agreement** as an "Executory **Contract** " for Purposes of the Bankruptcy Code  
Executory Contracts in General  
The Bankruptcy Code does not...

...rejection by the debtor under section 365 of the Bankruptcy Code.

Intellectual Property and Technology **License Agreements** as Executory **Contracts**

"The usual patent **license** , by which the patentee-licensor authorizes the licensee to exercise some part of the patentee...

...takes the form of an executory contract."(46) Based upon this characterization of a patent **license** as an executory **contract** by Professor Countryman, courts generally characterize intellectual property and technology **licenses** as executory **contracts** for purposes of section 365 of the Bankruptcy Code.(47) These courts recognize that in...

...both the licensor and the licensee have obligations that continue until the termination of the **license agreement** . Such obligations include the **licensor** 's duty to forebear from prosecuting the licensee for infringement(48) and to defend and...contract under section 365 of the Bankruptcy Code discussed above, Congress saw it necessary to **grant** a nondebtor **licensee** additional protection because of the detrimental impact that rejection of an intellectual property and technology **license agreement** can have on a **licensee** 's business.(65)

In General

There are three basic points to keep in mind with...

...Code. First and foremost, section 365(n) applies only where (i) the debtor is the **licensor** under the **license agreement** (66) and (ii) the **license** is one for "intellectual property" as such term is defined in section 101 (35A) of the Bankruptcy Code.(67) Second, section 365(n) applies to any intellectual property **license** executed prepetition, even if the **term** of the **license** had not yet begun on the bankruptcy petition date.(68) Finally, the basic principles underlying...

...legislative history to section 101(35A) indicates that because trademark, trade name, and service mark **license agreements** "depend to a large extent on control of the quality of the products or service" **licensed** , Congress found such **license agreements** to be beyond the scope of the Intellectual Property Act.(72)

Section 101(35A) identifies...in writing, the trustee or debtor in possession must, to the extent provided in the **license** or a supplementary **agreement** thereto, either (i) continue to perform its obligations under the license(91) or (ii) turn...

...in possession may not interfere with the rights of the licensee under the intellectual property **license** or any supplementary **agreement** thereto.(93)

Protection Upon Rejection of an Intellectual Property License

If a debtor/licensor elects...  
...would constitute a breach under the intellectual property license allowing the licensee to terminate the **license** )(94) or (ii) retain its **rights** under the **license** for the initial **term** of the **license** and any lawful extensions thereof.(95)  
Treating the License as Terminated  
Section 365(n)(1...

...they existed prior to the enactment of the Intellectual Property Act,(96) i.e., the **licensee** may treat the **contract** as terminated, cease performing its obligations under the license, and file a general unsecured claim against the debtor/licensor for damages arising from the debtor/**licensor** 's breach of the **license agreement** under section 502(g) of the Bankruptcy Code.(97) The shortcoming of this option for...

...twofold. First, it is often difficult to measure the monetary damage caused by a debtor/ **licensor** 's rejection of the **license agreement** .(98) Unlike the situation where, if a debtor/licensee rejects an intellectual property license, the...

...really needs, i.e., the licensed property to continue the operation of its business.

#### Retaining **Rights** Under the **License**

The major revision to section 365 implemented by the Intellectual Property Act is that, upon rejection of a **license agreement** by a debtor/ **licensor** , a **licensee** may elect to retain its **rights** under the **license agreement** for the initial **term** of the **license** and any lawful extensions thereof. This revision mirrors the relief provided to a lessee of...

...allows a licensee to retain and exercise any right held by the licensee under the **license** , or any supplementary **agreement** thereto, as of the bankruptcy petition date.(100) Thus, if the **licensee** was **granted** an exclusive right in the intellectual property (and this right existed on the bankruptcy petition...

...licensee may not exercise any rights under applicable nonbankruptcy law to specific enforcement of the **contract** .(103) Likewise, a **licensee** has no rights in the licensed property except for those that existed on the bankruptcy ...of a Licensee Electing to Retain Its Rights

If a licensee elects to retain its **rights** under the **license agreement** , the **licensee** must continue to pay to the trustee or debtor in possession any and all royalties due under the **license** for the initial **term** of the **license** and any lawful extensions thereof.(106) A payment need not be labeled a "royalty" payment...

...have interpreted the term "royalties" broadly to include any fee or payment due from the **licensee** under the **license agreement** , including the initial **licensing** fee.(107)

#### Waiver of Licensee's Rights to Certain Damages

In addition to having to...

...the use of the intellectual property under the license, a licensee desiring to retain its **rights** under a rejected **license** also must waive any claim that it has (or may have) against the debtor/ **licensor** under the **license agreement** , other than a general unsecured claim. Once a licensee elects to retain its rights, the...

...licensor's estate.

#### Obligations of the Trustee or Debtor in Possession

Upon rejection of a **license agreement** under section 365 of the Bankruptcy Code, the trustee or debtor in possession no longer...

...obligations on the trustee or debtor in possession if the licensee elects to retain its **rights** under the rejected **license** .(110) These obligations include: (i) allowing the licensee to exercise its **rights** under the rejected **license** ;(111) (ii) upon written request from the licensee, turning over to the licensee any intellectual property or embodiment thereof to which the licensee is entitled under the **license** or any supplementary **agreement** thereto;(112) and (iii) upon written request from the licensee, refraining from interfering with the licensee's **rights** under the **license** or any supplementary **agreement** thereto.(113)

#### Escrow Agreements

As noted above, section 365(n) obligates a trustee in bankruptcy...

...the intellectual property, but any embodiments thereof to which the licensee is entitled under the **license** or any supplementary **agreements** . Thus, to take full advantage of the rights **granted** a **licensee** under section 365(n), a **licensee** should request that the licensor transfer key elements, such as source codes for computer software...

...pursuant to an escrow agreement.(114) The escrow agreement should be structured as two separate **agreements** --one between the **licensor** and escrow agent and one between the licensee and escrow agent--to prevent the debtor/licensor from attempting to reject the escrow **agreement** , as to the **licensee** , as an executory **contract** under section 365 of the Bankruptcy Code.(115) The net effect of these two escrow **agreements** basically should be that the **licensor** is obligated to transfer those elements of the intellectual property that are necessary to the...

...to the licensee upon notification of the licensor's breach or failure to perform its **license agreement** with the **licensee** .(116) Under section 365(n) of the Bankruptcy Code, such an escrow agreement would qualify as a supplementary **agreement** .(117) Consequently, if the **licensee** elects to retain its **rights** under a rejected **license** , section 365(n)(3) authorizes the licensee to obtain the escrowed property upon written request...

#### ...as Executory

To ensure that the protections of section 365(n) are available to a **licensee** , the **license agreement** specifically should provide that, to the extent that the **license agreement** is determined to be an executory contract under section 365 of the Bankruptcy Code, it...

...Code.(119) Parties desiring to avoid the uncertainty surrounding a determination that the intellectual property **license** is not an executory **contract** also may want to identify the ongoing obligations of each of the parties to the...

...that the failure to perform any of these obligations constitutes a material breach of the **license** .(120)

#### Right to Terminate

As noted above, section 365(n)(1)(A) of the Bankruptcy Code provides that, upon rejection of a **license agreement** by the debtor, a **licensee** may treat the **license agreement** as terminated if the rejection of the **license agreement** constitutes a breach that would entitle the **licensee** to terminate the **agreement** under the terms of the agreement, applicable

nonbankruptcy law or an **agreement** between the **licensee** and another entity.(121) To preserve a licensee's **right** to terminate the **license agreement** under section 365(n)(1)(A) of the Bankruptcy Code, the **license agreement** should define the term "event of default" to include among other things: (i) the **licensor** 's rejection of the **license agreement** under section 365(n) of the Bankruptcy Code; and (ii) the **licensor**'s breach or failure to perform or observe any of its obligations, covenants, or **agreements** under the **license agreement** . The **license agreement** also should specifically recognize the **licensee** 's **right** to terminate the **license agreement** upon the **licensor** 's default thereunder. By documenting the parties' **agreement** that the **licensee** may terminate the **license agreement** upon rejection of the **license agreement** or the **licensor** 's failure to perform under the agreement (whether as the result of rejection or otherwise), there should be little question that the **license agreement** can be terminated under section 365(n)(1)(A) .

#### Liquidated Damages Clause

Because it would be difficult to ascertain the amount of the licensee's damages upon the **licensor** 's default under the **license agreement** , the **license agreement** should contain a liquidated damages clause.(122) Such a clause actually serves two purposes. First...

...clause would assist the parties in determining the licensee's damages upon rejection of the **license agreement** . Second, a potentially large liquidated damages award in favor of the licensee may discourage the debtor from rejecting the **license agreement** .(123) In particular, the **license agreement** should contain two liquidated damage calculations: (i) first, the **license agreement** should set forth the **licensee** 's damages upon termination of the **agreement** ; and (ii) second, the **license agreement** should set forth the **licensee** 's damages upon the **licensor**'s failure to perform its servicing and/ or research/development obligations under the **license agreement** . The latter calculation would assist the licensee in asserting a rejection damage claim under section 502(g) of the Bankruptcy Code where the **licensor** has rejected the **license agreement** , but the **licensor** has retained its rights thereunder.

#### Royalty Payments: Less is Better

Because a licensee must continue to make all royalty payments to a licensor/debtor if the licensee retains its **rights** under the **license agreement** , the **licensee** should avoid characterizing its monetary obligations (other than its percentage payments for use and/or...  
...licensee should identify the nature and purpose of each of its monetary obligations under the **agreement** . Indeed, a **licensee** should make **licensing** /service fees directly contingent upon the **licensor** fulfilling its servicing and/or research/development obligations so that if the **licensor** rejects the **license agreement** and stops performing its obligations thereunder, the condition precedent to the **licensor** receiving those fees...

...the lumping together of any service fees with the royalty fees set forth in the **license agreement** .

In a similar vein, a **licensee** may want to structure the royalty provision of the license so that any royalty fees...

...Bankruptcy Code.(124)

#### Right to Improvements

Because a licensee only is entitled to retain its **rights** under the **license agreement** as they existed on the bankruptcy petition date under section 365(n) of the Bankruptcy Code, a licensee should include a



provision in the **license agreement** that **grants** it the **right** to use all improvements of and enhancements to the intellectual property developed by the **licensor** during the **term** of the **license agreement** . Although it is not certain whether such a provision would be enforced by a bankruptcy court, there is no harm in including the provision if it is acceptable to the **licensor** .

#### Escrow Agreement

Finally, a **licensee** should request that the licensor transfer the embodiment of, source codes to, or other key...

...as that term is used in section 365(n) of the Bankruptcy Code) to the **license agreement** ; and (ii) direct the escrow agent to release the escrowed property to the licensee upon an event of default by the **licensor** under the **license agreement** .

#### Postbankruptcy Tips

##### Request Upon Bankruptcy Filing

Immediately upon receiving notice of the licensor/debtor's...

...a written request upon the trustee or debtor in possession for (i) performance of the **license agreement** ; (ii) turn over of the intellectual property licensed and any related escrowed property; and (iii) compliance with its duty not to interfere with the **licensee 's rights** under the **license agreement** .

##### Request Upon Rejection

Immediately upon receiving notice of the licensor/debtor's motion to reject the **license agreement** , if the **licensee** desires to retain its rights under the **agreement** , the **licensee** should serve a written request upon the trustee or debtor in possession for (i) performance of the **license agreement** ; (ii) turn over of the intellectual property licensed and any related escrowed property; and (iii) compliance with its duty not to interfere with the **licensee 's rights** under the **license agreement** .

#### Shortcomings of Section 365(n)

Although section 365(n) of the Bankruptcy Code provides a if bankruptcy ensues, it neither preserves in full the licensee's prepetition **rights** under the **license agreement** nor eliminates all adverse effects of the rejection of the license on the licensee's business. For example, once the debtor/ **licensor** rejects the **license agreement** , it no longer is obligated to perform any research or development services with respect to...

...part of a servicing, marketing, or production agreement, a court may find the debtor's **licensing** obligations de minimus to the **contract** as a whole and characterize the contract as something other than an intellectual property license...

...a sale or an absolute assignment.(131) Because such a complete transfer of the original **owner 's** bundle of **rights** in the intellectual property divests the owner of title to the intellectual property, a prebankruptcy...

...the intellectual property to the would-be licensee and then have the would-be licensee **license** back to the original **owner** the **right** to use such intellectual property. The primary advantage to this structure is that it accomplishes...would have a continuing beneficial interest in the intellectual property, including the proceeds of any **license agreement** .(135) While the beneficial interest would still be considered property of the owner's potential bankruptcy estate,(136) this transaction could not cause the trustee's rejection of the **license agreement** with the

**licensee** because the **agreement** between the trustee and debtor/owner would be a completed transfer and no longer executory...

...intellectual property trust from filing a bankruptcy petition or incurring any obligations other than the **license agreement** .(138) As in the sale/assignment context, however, an owner of intellectual property may not...

...its ownership interests in the property through one of the transactional structures described above, the **licensee** could structure the **license agreement** with an eye towards the future, i.e., the owner's potential bankruptcy case. First...

...the license regarding section 365(n) and liquidated damages and by executing a separate escrow **agreement** and maintenance **agreement** with the **licensor** .(146) Second, a licensee should take steps to make the rejection of the license under...

...licensor. Perhaps the most effective means to achieve this goal is to execute a security **agreement** in conjunction with the **license** transaction.

Specifically, a licensee could secure a **licensor** 's performance of a **license agreement** by having the **licensor** grant the **licensee** a security interest in the **licensed** intellectual property and the other property necessary to the utilization of such intellectual property.(147) The security agreement does not insure continued performance of a **license agreement** , but it does have the effect of converting what would otherwise be a prebankruptcy general unsecured damage claim to a secured claim upon the rejection of a **license agreement** .(148) As a result of the security agreement, there is an economic disincentive upon the...

...licensor from utilizing its rights under section 365 of the Bankruptcy Code to reject the **license agreement** with the secured party/ **licensee** .

Enhancing a Licensee's Leverage in Bankruptcy

In a bankruptcy proceeding, a secured party/licensee...

...its security interests in attempting to satisfy its claims arising from a rejection of its **license agreement** .(150) A secured party/ **licensee** also could, in the event its **license agreement** is not promptly assumed by the debtor/licensor, place further pressure upon the debtor/licensor...

...secured party/licensee's foreclosure on its security interests makes it impossible for the debtor/ **licensor** to perform the **agreements** that it entered into with other parties, the debtor/ **licensor** may forego rejecting its **license agreement** with the secured party/ **licensee** to avoid being forced to breach its agreements with such other parties.

Structuring the Security...bankruptcy. The following items should be considered in formulating the collateral description for the security **agreement** :

- \* **licenses** and permits relating to or necessary for use of the intellectual property;

- \* present and future...

...as part of the secured transaction that was not previously disclosed in connection with its **licensing agreement** . In addition to the usual representations found in a security agreement, the following representations should...

...intellectual property as being free and clear of all liens and encumbrances;

- \* extent of the **licenses** and other **rights** **granted** in the intellectual property;
- \* no affiliate of licensor has (or will have) any interests in...

...confidential the intellectual property.

#### Covenants

In drafting the covenants to be included in the security **agreement**, the parties must weigh the **licensor** /bankrupt's desire to conduct its business in the ordinary course against the secured party/licensee's desire to secure performance of the security **agreement** by **restricting** the debtor/ **licensor** 's use of the collateral. For example, the licensor will usually want to license the...

...an opportunity to cure such breach. Other covenants that should be included in the security **agreement** are:

- \* a covenant that debtor/ **licensor** will continue to keep information secret and will enter into appropriate confidentiality agreements with employees...

...proceeds of intangibles and require that such proceeds be held in trust for secured party/ **licensee** ;

- \* a covenant to **grant** secured party/ **licensee** the right to set off claims arising out of a breach of the security **agreement** against monies owing the debtor/ **licensor** under other **agreements** , such as the **license agreement** ;

- \* a covenant to sign financing statements, filings, applications, assignments, registrations, notices, documents of further assurances...

...security agreement very broad events of default, which events of default are linked to the **licensor** 's performance of the **license agreement** and security **agreement** . In contrast, the debtor/ **licensor** will seek a very narrow default clause to assure its financiers and other licensees that...

...secured party/licensee should consider events of default based only upon those provisions of the **license agreement** and security **agreement** that are most important to it (i.e., the actual license of the intellectual property...

...estate upon a mortgagee's foreclosure on a parcel of real estate. The non-disturbance **agreement** would allow the **licensor** to enter into **license agreements** with others 'with the understanding that such **license agreement** will not be disturbed in the event the secured party/licensee exercises its remedies against...

...upon the occurrence of an event of default.(158) To some extent, a non-disturbance **agreement** diminishes a **licensor** /bankrupt's disincentive to reject a **license agreement** with a secured party/ **licensee** because claims from the breach of the other **license agreements** will not occur upon the exercise of the secured party/licensee's foreclosure rights. Nonetheless, if the secured party/licensee includes the proceeds of such **license agreements** that are not to be disturbed within its collateral description, in the event of the...

...any continuing right to use the licensed intellectual property under the auspices of rejecting the **license** as an executory **contract** "). But see Fenix Cattle Co. v. Silver (In re Select-A-Seat Corp.), 625 F.2d 290, 292 (9th Cir. 1980) (stating in dicta that the rejection of a **license**

**agreement** only relieves the debtor/ **licensor** of performing its obligations thereunder but does not ...the proposition that the licensee only holds a prepetition general unsecured claim against the debtor/ **licensor** upon rejection of the **license agreement** ); S. REP. NO. 100-505, at 2 (1988) (explaining that allowing a licensor/debtor to...

...licensee would lose not only any future affirmative performance required of the licensor under the **license** , but also any **right** of the licensee to continue to use the intellectual property as originally agreed in the **license agreement** ").

(12.) The legislative history to section 365(n) notes that the subsection was enacted to...text.

(26.) Whether a particular assignment of intellectual property is an absolute assignment of the **owner** 's **rights** in that property should be determined under applicable nonbankruptcy law. For example, a patentee may accompanying text. As noted above, a transfer of something less than all of the **owner** 's **rights** in the intellectual property and technology through a sale or an assignment generally constitutes a...

...U.S. 477 (1850), for the proposition that a transfer of anything less than the **owner** 's "entire and unqualified" **rights** in the assigned property (or portion thereof) is simply a license). Such a limited transfer ...

...it is labeled a license or a limited assignment, the critical inquiry is whether the **owner** has relinquished all of its **rights** in the property transferred. See discussion supra notes 24, 26 and infra notes 32-34...

...determining whether a transfer of intellectual property and technology amounts to a sale, assignment, or **license** , the retention of the **right** to receive a share of the royalties generated by the intellectual property as consideration for...

...261 (assignor retaining any rights in portion of patent "assigned" essentially is treated as a **grantor** of an exclusive **license** ).

(28.) See cases cited supra note 26.

(29.) See, e.g., Waterman, 138 U.S...

...here an agreement effectively transfers the entire bundle of rights residing in a patent, that **agreement** is an assignment, not a **license** "). See also ABRAMS, supra note 29, (sections) 13.02(A), at 13-3 through 13... and accompanying text. 33. See, e.g., Waterman, 138 U.S. at 255.

(34.) A **license agreement** that completely transfers any or all of the exclusive **rights** of the **owner** of the intellectual property (i.e., an exclusive license) is, for all practical purposes, equivalent to a sale because such a **license** divests the **owner** of those particular **rights** (including the right to sue for future infringement of the exclusive rights transferred). See, e...

...Communications, Inc., 936 F.2d 692, 695 (2d Cir. 1991) (explaining that "(a)n exclusive **license granted** by the copyright **owner** constitutes a transfer of ownership of the copyright **rights** conveyed in the **license** "); In re Patient Educ. Media, Inc., 210 B.R. 237,240-41 (Bankr. S.D.N.Y. 1997) (explaining the distinction between an exclusive and nonexclusive **license agreement** ). To the extent, however, that an exclusive **license agreement** imposes obligations on the **licensor** (such as the obligation to defend the licensee in infringement suits relating to the licensed property), an exclusive license most likely will be characterized as an

executory **contract** subject: to rejection by a **licensor** /debtor under section 365 of the Bankruptcy Code. See discussion infra note 47 and accompanying...also recognized in this article that "(w)here there is no express undertaking by the **licensor**, the **agreement** with the **licensee** may not be executory because the licensor may have fully performed merely by executing the **license agreement** ." Id. at 502. Nevertheless, Professor Countryman ultimately concludes that even in such a close case, a license should be classified as an executory **contract** because in every **license**, the **licensor** impliedly warrants the validity of its patent and this undertaking continues over the life of...

...re Catapult Entertainment, Inc.), 165 F.3d 747, 749 (9th Cir. 1999) (assuming that nonexclusive **licenses** were executory **contracts** without discussion), cert. dismissed, -- U.S. --, 120 S.Ct. 369 (1999); Everex Sys., Inc. v...

...re CFLC, Inc.), 89 F.3d 673, 677 (9th Cir. 1996) (holding that a patent **license** was an executory **contract** where the **licensee** had the continuing obligation of marking its products with the proper statutory patent notice and...

...argument that a license was not executory where the trustee's predecessor had assumed the **license** under section 365 with court **approval** ); Encino Business Management, Inc. v. Prize Frize, Inc. (In re Prize Frize, Inc.), 32 F.3d 426, 428 (9th Cir. 1994) (concluding that the **license** of technology, patents and proprietary **rights** in certain machinery was an executory contract for purposes of section 365 of the Bankruptcy...

...Entertainment, Inc.), 950 F.2d 1492, 1494-96 (9th Cir. 1991) (finding an exclusive film **license** to be an executory **contract** because the **licensor** had the continuing obligation not to license the film to third parties and the licensee...

...Richmond Metal Finishers, Inc.), 756 F.2d 1043, 1045-46 (4th Cir. 1985) (holding that **licensing agreement** was an executory **contract** where the **licensor** had continuing notice and forbearance obligations under the license and the licensee had the continuing...

...LEXIS 804, at \*11-\*15 (Bankr. E.D. Va. June 1, 1998) (treating a patent **license** as an executory **contract** under section 365 of the Bankruptcy Code and **approving** the **licensee** /debtor's assumption of the **license** under its plan of reorganization); In re Patient Educ. Media, Inc., 210 B.R. 237...

...S.D.N.Y. 1997) (noting that courts "have generally treated nonexclusive copyright and patent **licenses** as executory **contracts** "); Biosafe Int'l, Inc. v. Controlled Shredders, Inc. (In re Szombathy), Nos. 94B15536, 95A01035, 1996 Bankr. LEXIS 888, at \*18 (Bankr. N.D. III. July 9, 1996) (finding that a **license** was exthe licensor's on-going promise to **grant** the **licensee** the exclusive rights to manufacture, use and sell the licensed property), rev'd in part...

...Inc.), 136 B.R. 28, 29-30 (Bankr. D. Conn. 1992) (holding that an exclusive **licensing agreement** was an executory **contract** because obligations remained outstanding on both sides where the licensor had to forebear from **granting licenses** to others and to not unreasonably withhold its consent to the licensee's sublicensing decisions...

...Inc., 93 B.R. 310, 312 (Bankr. D.P.R. 1988) (characterizing a television

program **licensing agreement** as executory for purposes of section 365); In re New York Shoes, Inc., 84 B...certain period of time to convert its infringing product into a noninfringing product (the "Conversion **Agreement**") akin to a **license** and "executory" for purposes of section 365 under both the Countryman executory contract definition and...

...Cir. 1980)). For example, the contract at issue in Select-A-Seat was a software **licensing agreement** that the Ninth Circuit determined to be an executory contract based upon the following two...

...Similarly, in Lubrizol, the Fourth Circuit determined that the debtor's obligation under the parties' **agreement** to **restrict** its **right** to **license** its process at a certain royalty rate was sufficient to make the contract executory for...

...at 44 (finding that parties' duties to refrain from suing each other under patent cross **license** made **contract** executory); Paragon Trade Brands, Inc., No. 98-60390, at 7-8 (finding that a patent...

...n.2 ("The trustee's contentions, that (the nondebtor party's) obligation to forbear from **granting licenses** to others and not to unreasonably withhold permission for sublicensing do not suffice to make the **license agreement** executory, are not sustainable."). In a similar vein, courts have determined that a covenant not to compete with the **licensee** contained in the **license agreement** is sufficient to render the **license** an executory **contract**. See, e.g., In re Golconda, Inc., 56 B.R. 136, 137 (Bankr. M.D....

...obligations above and beyond the mere duty to accept the payment of royalties under the **license agreement**, this proposition does not prevent a **license** from qualifying as an executory **contract** under section 365 of the Bankruptcy Code. See, e.g., Lubrizol, 756 E2d at 1046...

...11 U.S.C. (sections) 365(a) (1994). To the extent that an intellectual property **license agreement** constitutes an executory **contract**, a debtor may assume the **license agreement** under section 365(a) of the Bankruptcy Code, provided that the other requirements of that section are satisfied. Nonetheless, if applicable nonbankruptcy law excuses the nondebtor party to the **license agreement** from accepting performance from or rendering performance to an entity other than the debtor, ... 365(c)(1) have determined that a debtor may not assume or assign a patent **license agreement**, unless the nondebtor party to the agreement consents. See, e.g., Perlman, 165 F.3d...

...that "the long-standing federal rule of law with respect to the assignability of patent **license agreements** provides that these **agreements** are personal to the **licensee** and not assignable unless expressly made so in the agreement." Access Beyond, 237 B.R...522 (Bankr. S.D. Fla. 1993) (denying the debtor/licensor's request to reject the **license agreement** because the debtor did not exercise good business judgment in reaching its decision to reject...legislative purpose underlying section 365(n) supra notes 8-13 and accompanying text. The rights **granted** a **licensee** under section 365(n) of the Bankruptcy Code are available only during the period prior...license, at least one court has determined that a franchise agreement giving the franchisee exclusive **rights** in copyrighted works was a "**license** of intellectual property" for purposes of section 365(n) of the Bankruptcy Code. See Matusalem...

...lease of real property by a debtor/lessor), section 365(n) does not require the **term** of a **license** to have commenced prepetition in order for the license to fall within the protections of...

...5 (explaining that "(s)ince these matters (i.e., trademark, trade name, and service mark **license agreements** ) could not be addressed without more extensive study, it was determined to postpone congressional action... 102(a)(1-8).

(81.) Subject to certain exceptions, a copyright conveys the following exclusive **rights** on the copyright **owner** : (i) the **right** to reproduce the work; (ii) the right to prepare derivative works; (iii) the right to...

...an infringement action against any entity performing an unauthorized act within the scope of the **owner** 's exclusive **rights** . See 17 U.S.C. (sections) 501(a). If an authorized use of the work does not fall within the **owner** 's exclusive **rights** , an infringement action may not be sustained. See, e.g., Twentieth Century Music Corp. v...

...extent provided in such contract or any agreement supplementary to such contract

(i) perform such **contract** ; or

(ii) provide to the **licensee** such intellectual property (including

any embodiment of such intellectual property to the extent protected by...

...nonbankruptcy law) held by the trustee;  
and

(B) not interfere with the rights of the **licensee** as provided in such **contract**

, or any agreement supplementary to such contract, to such intellectual property (including such embodiment), including ...contract under which the debtor is a licensor of a right to intellectual property, the **licensee** under such

**contract** may elect--

(A) to treat such contract as terminated by such rejection if such rejection by the trustee amounts to such a breach as would entitle the

**licensee** to treat such **contract** as terminated by virtue of its own terms, applicable nonbankruptcy law, or an **agreement** made by the

**licensee** with another entity;  
11 U.S.C. (sections) 365(n)(1)(A).  
(95.) Section 365...

...contract under which the debtor is a licensor of a right to intellectual property, the **licensee**

under such  
     **contract** may elect--

(B) to retain its rights (including a right to enforce any exclusivity provision...

...commenced, for--

(i) the duration of such contract; and

(ii) any period for which such **contract**  
 may be extended by the

**licensee**

as of right under applicable nonbankruptcy law.

    11 U.S.C. (sections) 365(n)(1)...

...to compel specific performance, i.e., to enjoin the licensing to another of the rights **granted** by the **contract** to the **licensee**. Retention of contractual rights, both in extent and quality, is a central aim of the...

...that a trustee or debtor in possession need only allow the licensee to exercise its **rights** under the **license** and provide the licensee with the intellectual property and any embodiment thereof to which it...

...the licensee could not exercise an option to purchase the intellectual property included in the **license agreement** after the debtor/ **licensor** commenced its bankruptcy case.

(104.) See 11 U.S.C. (sections) 365(n)(1)(B)...

...97C481, 1997 WL 189314, at \*2-\*3 (N.D. Ill. Apr. 14, 1997) (noting with **approval** the bankruptcy court's decision that a **licensee** electing to retain its **rights** under a rejected **license agreement** has no interest in postpetition improvements or modifications to the licensed patent). But see C...

...closely incorporated with the principle article, the attachments become part of the principle article) to **grant** the nondebtor **licensee** ownership rights in postpetition improvements to intellectual property owned by the debtor/licensor where the...

...respect, see Robert T. Canavan, Unsolved Mysteries of Section 365(n)--When a Bankrupt Technology **Licensor** Rejects an **Agreement** Granting Rights to Future Improvements, 21 SETON HALL L. REV. 800, 816-830 (1991) (explaining ...that it retains the right to recoup a claim that it has against the licensor/ **debtor** under the license **agreement** from a debt that it owes to the licensor/ **debtor** under the license **agreement** **even** if it elects to retain its rights **under** the license **agreement** **under** section 365(n)(1)(B).

(109.) See 11 U.S.C. (sections) 365(n)(2)...

...possession may not interfere with any right that a licensee may have under the license **or** any supplementary agreement **thereto** to obtain the licensed **property** or an embodiment thereof from a third party. The language of this subsection is intended...its purpose is to assure the debtor's performance of its obligations under the license **and** any related agreements. **In** addition, the parties to the escrow agreement should recognize that a bankruptcy court could determine...



...Bankruptcy, 6 J. BANKR. L. & P. 535, 546-47 (1996-97).

(116.) The escrow agreement **also** should provide that the licensor **is** given a specified period of time within which to cure or dispute the existence of...

...not nullify the debtor's prebankruptcy nonexecutory contracts. Thus, to the extent that a license **agreement** **is** determined to be nonexecutory, the licensee would be entitled to continue to use the intellectual property in accordance with the terms and subject to the conditions of the license **agreement**. See, e.g., Hays & Co. v. Merrill Lynch, Pierce, Fenner & Smith, Inc., 8135 F.2d 1149...not be rejected).

Nonetheless, as discussed above, the majority of courts have determined that license **agreements** ( **particularly** in the nonexclusive license **context** ) are executory contracts. See *supra* notes 47-50 and accompanying text. Moreover, a bankruptcy court could determine that a...

...135 (Bankr. W.D. Pa. 1986) (stating same general proposition). Accordingly, providing that the agreement **is** an "intellectual property license" **will** assist a licensee in obtaining section 365(n) protection.

(120.) See discussion of the definition...

...the parties' agreement transferred title to the subject patent, the transfer was an outright grant **of** the patent (as opposed to a license **to** use the patent) and therefore, was not an executory contract for purposes of section 365...Access Beyond, 237 B.R. 32, 44-45 (Bankr. D. Del. 1999) (concluding that agreement **at** issue was a patent license **but** noting that agreement **could** not be an executory contract if it were a sale). See also *supra* notes 18...

...e., a patent that contains various fields of use), the trustee could also be granted **the** authority to enter into other license **agreements** **of** the intellectual property.

(135.) Because the intellectual property would in some circumstances need maintenance (particularly...

...case of computer software), income could be guaranteed to the beneficiary by having the licensee **enter** into a direct maintenance agreement **with** the beneficiary or the trustee that could subcontract such maintenance work to the beneficial. Such...of the directors. See *id*. Additionally, to provide a disincentive to rejection of the license **agreement** **if** the bankruptcy remote entity does file for bankruptcy, the stock of the bankruptcy remote entity could be utilized to secure its performance of the license **agreement** **with** the licensee.

( 143 .) One way to accomplish this result is to have the licensee hold a certain amount...

...a voluntary petition for bankruptcy and ordinary course actions (i.e., entering into other license **agreements** ). **There** is, however, no guarantee that a licensee would be able to control the governance of claim upon a breach of the license **agreement** **and** to exert maximum leverage over the debtor/licensor, the secured party/licensee should consider including a liquidated damage provision in its license **agreement** **because** a bankruptcy court may be predisposed to estimate the secured party/licensee's claim at...

...a security interest in such equipment will also place additional pressure on the debtor/licensor **not** to reject its license **agreement** **because** the debtor/licensor **would** lose access to such property to

conduct its business.

(154.) Rights under foreign laws can...

...party/licensee can demand adequate protection for the monies generated by such third-party license **agreements** .

( 157 .) Such a non-disturbance agreement basically should provide that the secured party/ licensee agrees not to sue for infringement or misappropriation any person that has received license **rights** to any of the security pursuant to a license **agreement** that is not inconsistent with the license **agreement** **existing** between the secured party/licensee **and** the debtor/licensor.

( 158 .) A non-disturbance agreement **should** continue only so long as the debtor/licensor would have no right **to** terminate the license **with** the third party and such license has not been rejected by the debtor/licensor and...

12/K/17 (Item 2 from file: 148)

DIALOG(R)File 148:Gale Group Trade & Industry DB

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12942070 SUPPLIER NUMBER: 66709124 (USE FORMAT 7 OR 9 FOR FULL TEXT)

**License Renewal Revitalizes the Nuclear Industry.**

Moore, Taylor; Carey, John

EPRI Journal, 25, 3, 8

Fall, 2000

ISSN: 0362-3416

LANGUAGE: English

RECORD TYPE: Fulltext

WORD COUNT: 6212

LINE COUNT: 00507

TEXT:

...plants have demonstrated their capability for safe, reliable operation well beyond their initial 40-year **license term** --a period based on amortization accounting rather than inherent operational limitations. This year, more than...

...engineering and planning by nuclear utilities and EPRI have paid off in the NRC's **approval** of 20-year **license** renewals for two nuclear plants, effectively extending nuclear's franchise for power production well into...  
... of two plants for an additional 20 years of operation beyond their original 40-year **license terms** . The successful completion of the **license** renewal process by these pressurized water reactor (PWR) plants, together with the establishment of the...

...dependable, profitable electricity generators well into the new century.

The U.S. Nuclear Regulatory Commission **approved** renewed **licenses** for Constellation Energy Group's two-unit, 1700-MW Calvert Cliffs plant in Maryland last...

...played a key technical support role for nuclear plant operators throughout the evolution of NRC **rules** governing **license** renewal. EPRI took the lead in developing a knowledge base on the effects of aging... years, for recovering nuclear plant capital investments.

"Meanwhile, the NRC has revised and clarified the **license** renewal **rules** , making that option more economical and practical for utilities to consider; now the regulatory process extended **license term** , including replacement of large components or upgrading of key systems. For example, Constellation Energy and...

...been generically fleshed out by EPRI, we would be having a much more difficult time **right** now with **license** renewal. EPRI's BWRVIP (BWR Vessel and Internals Project) and the BWR water chemistry guidelines...

...to continue to mitigate aging, particularly as new issues arise."  
(Earlier this year, the NRC **approved** two BWRVIP guideline reports for referencing in **license** renewal applications.)

On the basis of EPRI's work demonstrating the benefits of life-cycle ...renewal services

Virtually right out of the gate from the Calvert Cliffs and Oconee extended **license approvals**, the successful applicants launched commercial ventures to market their license renewal experience and expertise to...Renewal and Aging Management

\* Non-Class 1 Mechanical Implementation Guideline and Mechanical Tools: B&W **Owners** Group Generic **License** Renewal Program, TR-114882

\* Aging Effects for Structures and Structural Components: B&W **Owners** Group Generic **License** Renewal Program, TR-114881

\* Class 1 Structures License Renewal Industry Report, TR-103842

\* BWR Containments...of component aging effects issues were identified that would require additional management during the extended **license term**. The regulatory basis for **license** renewal was established as the current license basis, which must be maintained during the renewal

...  
...s establishment of relicensing criteria.

1991-1998: Calvert Cliffs and Oconee

The NRC'S initial **license** renewal **rule** (10 CFR 54) was issued in 1991. EPRI and Baltimore Gas and Electric (BGE) launched...

...assumed deregulation and demonstrated that Calvert Cliffs could be competitive. Duke Power initiated a similar **license** renewal effort for Oconee. Three **owners** group programs were begun by utilities owning Babcock & Wilcox PWRs, Westinghouse PWRs, and General Electric...

...CFR 54 on selected systems and components. The work demonstrated a need to revise the **license** renewal **rule** to allow more credit for normal maintenance. Primarily as a result of these studies, the...

12/K/18 (Item 3 from file: 148)

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11983283 SUPPLIER NUMBER: 61536290 (USE FORMAT 7 OR 9 FOR FULL TEXT)

**Facets, contracts, history of non-exclusive, high-efficiency surveying. (petroleum and geophysical industries)**

Elrod, Doug; Walker, Robin  
Offshore, 60, 3, 30  
March, 2000

ISSN: 0030-0608 LANGUAGE: English RECORD TYPE: Fulltext  
WORD COUNT: 2610 LINE COUNT: 00207

... of a two-part series on the business of non-exclusive seismic data and the **licensing contract** controversy created by the recent wave of industry mergers. Part II will appear in a...

...geophysical, and engineering data are often created and licensed on a non-exclusive basis.

Use- **license** perspectives

The **rules** and **restrictions** on the use of non-exclusive data are defined by a **license contract**, which must be executed by the licensee in order to obtain the use of the data. In brief, the **license contract** establishes that the data is the property of the owner, is protected by copyrights, and constitutes a valuable trade secret. The **licensee** of the data is **granted** the right to use the data to conduct internal business, but is prohibited from disclosing...

...data to any other parties, including by means of asset sales or corporate mergers. The **license contract** ensures that the **owner** has the sole **right** to sell the data **licenses** to any and all interested companies, and it is only by this means the data may be used by any company.

To understand conceptually the **licensing terms** for non-exclusive seismic data, some have made the comparison to software licenses. There are ...

...closer inspection there are many key differences. To illustrate this, contrast the differences between typical **license terms** for seismic data, workstation software, and personal computer (PC) software.

\* Seismic data: On average, a...

...raw field data -- broadly analogous to the source code for software -- with the data. The **license terms** required on a product which is fully licensed typically less than 10 times, must necessarily be quite different from the **license terms** on a product which can be licensed thousands or ...data company, and licensed for a fee to E&P companies under a nonexclusive use- **license**. The use- **licenses** are **restricted** in that the buyer of the data license (licensee) may only use the data subject...

...multi-client, spec, and non-exclusive are synonyms.

\* Pre-funding or pre-sales: These are **license** sales made by the **owner** before or during the acquisition of the data. By Securing some sales commitments in advance...

12/K/19 (Item 4 from file: 148)

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11670602 SUPPLIER NUMBER: 58577015 (USE FORMAT 7 OR 9 FOR FULL TEXT)

Music on the Internet: how to minimize liability risks while benefitting  
from the use of music on the Internet.(Survey of the Law of Cyberspace)

Pickering, Linda; Paez, Mauricio F.

Business Lawyer, 55, 1, 409

Nov, 1999

ISSN: 0007-6899

LANGUAGE: English

RECORD TYPE: Fulltext

WORD COUNT: 13482 LINE COUNT: 01140

... Phil Collins.

The Copyright Act imposes liability for violation of any one of the copyright **owner**'s five traditional exclusive **rights** to authorize: (i) reproduction of the work in Copies,...21) that means that each right can be separately licensed. For example, the web site **owner** who obtains a **license** to reproduce a song in a new sound recording (called a mechanical reproduction), will be prohibited from rendering a public performance of the song without obtaining a performance **license**. Also, the web site **owner** who wishes to offer music or even simply to embed music with web

content must obtain one or more **licenses** from the **owner** or **owners** of the various copyrights in the song and/or the sound recording; depending on what...

...that the music has been previously distributed: to the public under authority of the copyright **owner** , a compulsory mechanical **license** is available to anyone who desires to make a sound recording, so long as the ...

...artists may make their own recordings of that work without the permission of the copyright **owner** . Generally, the compulsory **license** provisions **grant** an authorization to make and distribute "phonorecords"(26) of the underlying composition in exchange for...

...cannot change the basic melody or fundamental character of the work.(31) Where a compulsory **license** is not available, the copyright **owner** can control who may and may not copy and transmit a work.(32)

The Copyright...

...wishes to obtain a compulsory license must serve notice of intention to obtain a compulsory **license** on the copyright **owner** of the song before or within thirty days after making the recording, but before distributing ...

...phonorecord delivery" among the means of making and distributing phonorecords that qualify for the compulsory **license** available from the copyright **owner** of the song, while also limiting the notice requirement to obtain a compulsory license.(42)...must be obtained from the music publisher who controls the copyright in the song.

#### Synchronization **Licenses**

In addition to the **right** of the author (or the publisher to whom the author has transferred copyright ownership) of...

...make and distribute phonorecords of a song, the author or publisher also has the exclusive **right** to **license** the reproduction of the song in the creation of an audiovisual work, such as a music video.(47) The **term** "synchronization **license** " (synch **license** ) comes from the fact that, technically, the song is recorded in time-relation with the...

...be distributed to the public except as part of the audiovisual work.(49) Master Use **Licenses** (50)

The Copyright Act also **grants** a copyright in "sound recordings" themselves.(51) The Copyright Act defines "sound recordings" as "works...

...not applicable to sound recordings, the web site owner must obtain a consensual master use **license** from the copyright **owner** of the sound recording.(59) Here, unlike the situation where the Copyright Act provides for...

...company; or other copyright owner of the sound recording, may charge whatever it wishes in **granting** a consensual **license** , or refuse to issue a master use license at all.(60)

#### Performance **Licenses**

Under the...

...Indeed, sound recordings are expressly excluded under section 114(a), which provides that the exclusive **rights** granted to the **owner** of the copyrights in sound recordings are limited to the rights specified in clauses (1...

...of performance under section 106(4)" of the Copyright Act.(63) Thus, notwithstanding the copyright **owner** 's exclusive **right** under section 106(6) (granted by the DPRA) to digitally perform the sound recording,(64) a general performance **license** from the copyright **owner** of the sound recording is not required for other, nondigital public performances of the recording...

...In order to "publicly perform" each song embodied in the sound recording, the web site **owner** must, however, obtain a performance **license** from the copyright **owner** in the song.(66) It is, however, virtually impossible for publishers and songwriters to, enforce... membership program whereby each songwriter and publisher provides the society with a nonexclusive right to **grant** public performance **rights** (or **licenses** ) in the song and collect royalties on their behalf.(70) The performance rights societies monitor...

...publicly perform songs in digital form on the Internet. ASCAP now provides a new performance **license** , named ASCAP Experimental **License Agreement** of Internet Sites on the World Wide Web (ASCAP Internet Agreement), designed to increase the...

...to a computer hard drive or any other storage medium) any of the musical compositions **licensed** under the ASCAP Internet **Agreement** .(75) Moreover, the ASCAP Internet Agreement expressly provides that the web site owner-licensee may not authorize anyone else to perform publicly the musical compositions **licensed** under the ASCAP Internet **Agreement** through any transmission or retransmission of any songs in the ASCAP catalog.(76) The BMI Web Site Music Performance **License** contains similar **restrictions** .(77)

#### Digital Performance **Licenses**

Prior to 1995, a performance **right license** from the copyright **owner** of a sound recording was not required because copyright in a sound recording generally did...

...recording) in order to be authorized, the public performance of a recorded song required a **license** only from the copyright **owner** in the song; a performance **license** from the recording company was not required.(79)

Concerned that the digital music in a...

...to a voluntary license.(85) Although the DPRA did not provide a general public performance **right** in sound recordings, copyright **owners** in sound recordings were granted a limited performance right(86) in "digital audio transmissions"(87...

...that provides digital audio transmissions of sound recordings would be required to obtain a voluntary **license** from the copyright **owner** in the sound recording, who is free to reject any overture or demand any fee...

...sales, argued that webcasters who provided noninteractive nonsubscription based transmissions were required to obtain a **license** from the copyright **owner** in sound recordings.(100)

The Digital Millennium Copyright Act (DMCA) resolved this issue by amending...are not eligible for a compulsory license under the DMCA and must obtain a voluntary **license** from the copyright **owner** of the sound recording.

For noninteractive nonsubscription webcasters whose primary purpose is to provide digital...

...music on a web site to provide users with a multimedia experience, the web site **owner** must obtain one or more **licenses** from the copyright **owner** of the song and, if a sound recording is used, the copyright owner of the...

...use a third-party sound recording to create an audiovisual multimedia presentation, the web site **owner** must obtain a performance **license** from the applicable performance **rights** society, a synch **license** from the publisher of the song, and a master use **license** from the copyright **owner** of the sound recording. A mechanical license is not required unless the web site owner...keep pace in regulating commercial conduct in a way that promotes progress while respecting the **rights** of property **owners**. For copyright law, the use of music on the Internet presented the strongest challenge to...506, 509 (1994 & Supp. III 1997). Section 501 of the Copyright Act empowers the copyright **owner** with the **right** to bring an action for infringement and obtain temporary and final injunctions, on such terms...

...copies or phonorecords claimed to have been made or used in violation of the copyright **owner**'s exclusive **rights**, and may order, as part of a final decree, the destruction of all copies or phonorecords found to have been made or used in violation of the copyright **owner**'s exclusive **rights**. Id. (sections) 503(a), (b). Finally, under (sections) 504, the copyright owner is entitled to...services. In this case, the web site owner will be required to obtain a synch **license** from the copyright **owner** of the underlying composition because the use of the composition in this manner will result...

...8, 1999) <[http:// www.ibeamnet.com](http://www.ibeamnet.com)>.

(50.) For a more comprehensive discussion on the general **terms** and conditions of master use **licenses**, and other licenses discussed in this article, see DONALD S. PASSMAN, ALL YOU NEED TO...See id. at 876-84.

(72.) See id. at 878.

(73.) See ASCAP, ASCAP Experimental **License Agreement** for Internet Sites on the World Wide Web (visited Nov. 9, 1999) <<http://www.ascap...>>

...114(d)(3).

(86.) See 17 U.S.C. (sections) 106(6) (1994). The performance **right** granted to **owners** of the copyright in the sound recording, as opposed to the underlying compositions, is termed...

...proprietor of the sound recording does not cover an audio-visual work, the web site **owner** must still obtain a performance **license** for the performance of the underlying composition, unless a performance license already exists with the...

12/K/20 (Item 5 from file: 148)

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10285487 SUPPLIER NUMBER: 20812464 (USE FORMAT 7 OR 9 FOR FULL TEXT)

**The control of technology alliances: an empirical analysis of the biotechnology industry. (Inside the Pin-Factory: Empirical Studies Augmented by Manager Interviews)**

Lerner, Josh; Merges, Robert P.

Journal of Industrial Economics, v46, n2, p125(32)  
June, 1998

ISSN: 0022-1821      LANGUAGE: English      RECORD TYPE: Fulltext; Abstract  
WORD COUNT: 11943      LINE COUNT: 00970

... contract only specifies the allocation of the property right on any forthcoming innovation, a sharing **rule** on the verifiable revenue (**license** fee) obtained by the research unit, and any verifiable amount of customer investment' (Aghion and...Ciba-Geigy. It was given a super-majority on the joint board that reviewed and **approved** potential research projects, the **right** to **license** and manufacture any of ALZA's current or future products, the ability to block any...Recombinant Capital. Table III highlights the fact that our criteria disproportionately eliminated several classes of **agreements** (such as **licenses** of **approved** products or diagnostic kits) from the Recombinant Capital database, mainly because the eliminated agreements did...the legal treatment of technology licenses, which reserves for the licensor any rights not explicitly **granted** to the **licensee** (Merges, (1995)).

Before beginning the quantitative analysis, however, we briefly describe the 25 control rights...the alliance without cause (#8) or to terminate particular projects (#9). A related cluster of **terms** addresses the control of the **licensed** technologies. In some cases, the firm funding the R&D has broad powers to sub...

...right (#14) provides at least partial ownership of these patents: if not restricted by another **agreement**, a part- **owner** can freely **license** a patent to other users. Financing firms often demand control of the patent litigation process...

12/K/21      (Item 6 from file: 148)

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10117413      SUPPLIER NUMBER: 20437098      (USE FORMAT 7 OR 9 FOR FULL TEXT)  
**Feds in a Web world: public domain vs. copyright. (includes reprint of Feb. 1995 Searcher Magazine editorial)**

Ardito, Stephanie C.  
Searcher, v6, n3, p35(12)  
March, 1998

ISSN: 1070-4795      LANGUAGE: English      RECORD TYPE: Fulltext  
WORD COUNT: 7288      LINE COUNT: 00604

TEXT:

...abstracts and keywords directly from publishers' journals and other copyrighted materials -- either by entering into **licensing agreements** or seeking permissions from the publishers -- then the government has a prerogative to levy conditions...

... of his duties." "The reproduction of Crown copyright material ... will be subject of specific copyright **licensing terms** .... Arrangements can be made for the provision of some Crown copyright material in computer-readable...licensing or to hold that photocopying (without royalty payments) is not "fair use" if the **owner** is willing to **license** at reasonable rates but becomes a "fair use" if the owner refuses all permission or...

...influenced by some tension between the direct aim of the copyright privilege to grant the **owner** a **right** from which he can reap financial benefit and the more fundamental purpose of the protection...of Section 903 (Ownership, transfer, licensing, and recordation) provides additional



clarification to. Section 105: "The **owner** of the exclusive **rights** in a mask work may transfer all of those **rights** , or **license** all or less than all of those rights, by any written instrument signed by such owner or a duly authorized agent of the **owner** . Such **rights** may be transferred or licensed by operation of law, may be bequeathed by will, and...property from commercializing the products. Investigators may make their materials available to others with appropriate **restrictions** and **licensing terms** as they and their institutions deem necessary.

Institutions are reminded that some of these products...  
...to the various laws and regulations applicable to patents and need to be reported. The **terms** for **licensing** of unpatented research products such as cell lines, monoclonal antibodies, and other materials and products... correction, maintenance, and other quality control measures that the Library requires as part of its **license agreement** . NLM requires no payment for such use of its records. Users contemplating more extensive redistribution should be referred to the copyright clause in the **license agreement** . NLM does not require payment for this use of the records.

ERIC is a federal...

...to protect such databases through international copyright directives, not to mention carefully-worded, shrink-wrap **licensing agreements** .

Some of us have questioned how far the ownership of public domain information goes. If...a subsidiary of DynCorp Information & Engineering Technology, provides the ERIC electronic document service. Its "Online **Licensing Agreement** " ([http:// edrs.com/ Agreement .htm](http://edrs.com/Agreement.htm)) includes a copyright clause:

The entire contents of the Service are copyrighted as a...not an attorney versed in all the legal jargon, but then neither are the people **accessing** the government's material and clicking approval of the **license agreements** , when necessary. I do believe that some of the questions posed at the beginning of...

...this permission to users of their databases.

6. The federal government can enter into "commercial" **agreements** and **licensing** arrangements with database vendors and contractors.

7. As a result of such **agreements** and **licenses** , database vendors and contractors can seek copyright protection for public-domain works and impose user...

...downloaded from the Web

Redistribute Medline abstracts without seeking permission from individual publishers or a **licensing agreement** from NLM to do so

Download and redistribute federal databases (other than the provisions listed here for Medline and ERIC) without first seeking permission or **licensing agreements**

Download or redistribute government databases produced by Canada, the United Kingdom, or other countries with...

...individual state databases

You Should:

Contact specific federal and state agencies for downloading guidelines

Read **terms** and conditions and **licensing agreements**

Consult an intellectual property attorney

(ILLUSTRATION OMITTED)

12/K/22 (Item 7 from file: 148)  
DIALOG(R) File 148:Gale Group Trade & Industry DB

06-Apr-06

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08976924 SUPPLIER NUMBER: 18660178 (USE FORMAT 7 OR 9 FOR FULL TEXT)  
**We're probably out of compliance but who's counting? (software copyright regulations)**  
 Bockanic, William N.; Lynn, Marc P.  
 Journal of Systems Management, v47, n4, p64(2)  
 July-August, 1996  
 ISSN: 0022-4839 LANGUAGE: English RECORD TYPE: Fulltext; Abstract  
 WORD COUNT: 1329 LINE COUNT: 00103

...ABSTRACT: to explicitly include computer software. Title 17 of the US Code prohibits the copying of **software** unless authorized by the copyright **owner** . However, a single copy for backup or for the purpose of using the program can...

...to \$250,000. The Software Rental Amendments Act of 1990 also protects the interests of **software** copyright **owners** .

TEXT:

...need two people to work with it at the same time? And doesn't the **license agreement** let us make and use an extra copy under some conditions anyway? We aren't...  
 ... of the copyright owner.

Unless a user or manager has a clear understanding of the **license agreements** for the software they are using or responsible for, the conservative approach to determining potential **license rights** and violation liabilities should be to assume that any copies other than one backup for...

...by the copyright holder. With this background, let us look more closely at Microsoft's **licensing policies** as an example of the way one software company provides copy, usage, and transfer rights...

...you purchase a legal Microsoft software product, it should be accompanied by an end-user **license agreement** (EULA). Generally, the EULA may be found on-line within the software, printed in the...

...addresses issues such as restrictions on reverse engineering, leasing, and renting the software product. The "**Grant of License**" section describes how the software may be used. A software product is considered to be...

...in use at any given time. If your EULA contains the following sentence in the **Grant of License** section, this is permissible: "The primary user of the computer on which the SOFTWARE Product...

...by Microsoft as the individual using the computer most of the time. Even with this **right granted** in the **license** , a second copy can only be installed on that individual's hard drive, and installation...

...in Microsoft's Maintenance Plus under Microsoft Select licensing. Remember that without this right specifically **granted** in the **Grant of License** section of the EULA, no second usable copy can be made.

For example, Microsoft's...

...to the primary user has been substituted for applicable products.  
 Microsoft has a variety of **license agreements** . EULAs for

applications and systems products are both "single user" licenses while the Microsoft License...copies must be removed from the seller's computers before transfer can take place.

The **licensing** strategies and **agreements** of software providers may differ significantly as they try to protect themselves and provide a...

...DESCRIPTORS:   **Licensing   agreements** --

12/K/23            (Item 8 from file: 148)

DIALOG(R)File 148:Gale Group Trade & Industry DB  
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07312024           SUPPLIER NUMBER: 15477686        (USE FORMAT 7 OR 9 FOR FULL TEXT)  
**Intellectual property and the antitrust pendulum: recent developments at the interface between the antitrust and intellectual property laws.**  
Rosen, Norman E.  
Antitrust Law Journal, 62, n3, 669-694  
Spring, 1994  
ISSN: 0003-6056       LANGUAGE: ENGLISH       RECORD TYPE: FULLTEXT; ABSTRACT  
WORD COUNT:   11899       LINE COUNT:   00958

... practices concerning which the law could be considered not fully settled, commenting that:

The core **rights** of **owners** of intellectual property are reasonably clear, but beyond that core, matters are a good deal...

...focus on economic aspects of a refusal by the holder of a basic patent to **grant licenses** under such a patent to future developers of improvements on this patent. Gilbert expressed a concern that the holder of a basic patent may irrationally refuse to **grant licenses** that would permit the **owner** of an improvement patent to exploit his improvement. He gave as an example of a...

...circumstances in which it is desirable to compel the holder of the basic patent to **grant a license** to the developer of the improvement, notwithstanding established legal rules to the contrary.

Gilbert suggested...wishing to avoid the use by others of such right is an unconditional refusal to **grant a license** under the **right** , whether the **right** covers a patented product or copyrighted software or manuals. This policy approach has become considerably...

...procedures infringe the copyright on the software. Thus, a copyright proprietor, through a refusal to **grant licenses** to service companies, if such a refusal is lawful, can absolutely exclude these companies from...

...Decisions under both the patent and copyright laws clearly support the proposition that refusals to **license** such **rights** are lawful. Both the patent and copyright laws specifically permit the holders of patents and... it would appear that the right of intellectual property holders not to be compelled to **grant licenses** under such property remains in general well supported both legally and economically.

### III. POST-SALE...

...patent and antitrust laws is the Supreme Court's 1938 decision upholding field of use **restrictions** in patent **licenses** in General Talking Pictures Corp. v. Western Electric Co.(80) This case involved the purchase ...Lear, the Supreme Court, seeking to maximize opportunities for such challenges, held that provisions in **license agreements** --known as

**licensee** estoppel provisions--which precluded licensees from challenging the validity of patents, were unenforceable.(93) In...

...and limits of Lear have raised considerable uncertainty about interpretation and enforcement of U.S. **license agreements** and about the conclusion of agreements settling patent litigation. The cases discussed ...for enforceable intellectual property arrangements. Accordingly, the courts have limited Lear to its holding abrogating **licensee** estoppel in patent **license agreements** .

Questions as to the scope of Lear also arise in connection with international **license agreements** . Most major legal systems today prohibit provisions in patent **license agreements** that preclude challenges of **licensed** patents.(95) These provisions at the same time expressly permit the parties to provide in a patent **license agreement** for termination of the **agreement** if the **licensee** challenges a **licensed** patent. Thus, one current issue is whether it is reasonable to anticipate that U.S...

...decision in Cordis Corp. v Medtronic, Inc.,(96) in which the Court was asked to **rule** on the legality of a **licensee** 's making payments into escrow rather than to the **licensor** as prescribed by the **agreement** . Citing Lear, the district court had permitted the licensee to pay royalties into escrow and had preliminarily enjoined the **licensor** from terminating the **agreement** . The patentee appealed from the grant of the preliminary injunction. The Federal Circuit acknowledged the...

...fair for the plaintiffs to be allowed simultaneously to reap all the benefits of the **licensing agreement** and to deprive the **licensor** of all his royalties. Patents are presumed to be valid, 35 U.S.C. [sections...

...Federal Circuit ruled in favor of enforcing the licensor's contractual right to terminate the **agreement** if the **licensee** failed to make the royalty payments to the **licensor** as required by the **agreement** .(98) The court ruled that while Lear does permit a licensee to stop payments while ...

...it is likely that courts today will not refuse to enforce a provision in a **license agreement** which merely places the **licensee** in the position it occupied before the **license agreement** , i.e., the status quo ante position, in the event it challenges the licensed patents...to the same legal constraints as other infringers--pursuant to a contractual provision in a **license agreement** negotiated at arms length would not seem to be the type of practice that the...

...courts will enforce a provision--assuming the licensor is successful in negotiating it into the **agreement** --that would permit the **licensor** to terminate the **license agreement** if the **licensed** patent is challenged. In any event, inclusion of such a provision in a license, even...

...v. Adkins clearly suggest that Lear today is limited to its specific holding of precluding **licensee** estoppel provisions in patent **license agreements** . The courts have recognized that the patent licensee's position has become significantly stronger since...laws.

(\*)Member of the New York Bar.

(1)Bruce B. Wilson, Patent and Know-How **License Agreements** : Field of Use, Territorial, Price and Quantity Restrictions, Remarks Before Fourth New England Antitrust Conference...claim Lasercomb has created an illegal

tie-in by discounting the price of Interact to **licensees** who purchase steel **rule** dies and other goods from Lasercomb. This simply is not a tie-in. No customer...

...ultimately concluded that Lasercomb did engage in copyright misuse by reason of the inclusion in **licenses** it **granted** of a provision which limited development of products not covered by the copyright. The Fourth... it was unreasonable and in violation of the antitrust laws for a patentee, which had **granted** an exclusive **license** for patented fill for evaporative cooling applications, to require its customers not to sell the ...

...patent owners should not be in a worse position, by virtue of the patent **right** to exclude, than **owners** of other properties used in trade." Mallinckrodt, 976 F.2d at 708.

(85)The Federale.g., European Community, Group Exemption for Patent **License Agreements** , Art. 3(1), reprinted in 2 Comm. Mkt. Rep. (CCH)) [paragraph] 2747; Japan Fair Trade...

...v. Quick Point Pencil Co., 440 U.S. 257 (1979) ("Permitting inventors to make enforceable **agreements** **licensing** the use of their inventions in return for royalties provides an additional incentive to invention...

...that would have modified Lear in a number of respects, including providing for termination of **license agreements** upon challenge of a **licensed** patent. See, e.g., Title III (Licensee Challenges to Patent Validity) of "Intellectual Property Rights...

12/K/24 (Item 9 from file: 148)

DIALOG(R)File 148:Gale Group Trade & Industry DB  
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06429661 SUPPLIER NUMBER: 13651191 (USE FORMAT 7 OR 9 FOR FULL TEXT)  
**Entertainment bankruptcies: the Copyright Act meets the Bankruptcy Code.**

Moore, Schuyler M.

Business Lawyer, 48, n2, 567-609

Feb, 1993

ISSN: 0007-6899

LANGUAGE: ENGLISH

RECORD TYPE: FULLTEXT; ABSTRACT

WORD COUNT: 20240 LINE COUNT: 01607

...ABSTRACT: copyrights. Important issues include security interests in both US and foreign copyrights, the treatment of **licenses** as executory **contracts** , ownership validation of **licensed** rights, revocable transfers of rights and the status of property acquired after the petition is...

... an entertainment company relates to the ownership or exploitation of copyrights, including film and television **rights** , film libraries, **licenses** , and receivables. As a result, understanding the nature of copyright law is critical to analyzing...

...Copyright Act, licensees under an exclusive license did not own an interest in the licensed **rights** , and an exclusive **license** was treated as analogous to a lease of personal property.(11) If, however, the license ...

...rights to the licensee.(13) Thus, the licensee owns a property interest in the licensed **rights** . The licensor, however, remains the **owner** of the copyright unless the licensee has been assigned all of the licensor's

remaining...

...licensee under a non-exclusive license does not own any property interest in the licensed **rights** .

Many **licenses** have an express or implied provision giving the licensor the contingent **right** to terminate the **license** (a Termination **Right** ), with a reversion of the licensed rights to the licensor if the licensee breaches the **license** .(15) This Termination **Right** should be treated as a contingent ownership of a property interest in the licensed rights...

...to exercise of the Termination Right.

Prior to the Copyright Act, the licensor remained the **owner** of all licensed **rights** , even if the licensee was exclusive. The sole exception was if the licensee had been...

...governed by the Copyright Act, such that the license is treated as owning the licensed **rights** , and the **license** (or a short-form assignment) is not recorded in the Copyright Office, the licensor continues ...

...so is a breach of the first license.(17) For example, if the licensor subsequently **licenses** the licensed **rights** to a third party who does not have notice of the prior license and who...

...the licensor, the licensor effectively did continue to own a property interest in the licensed **rights** because the **license** was not recorded. If, however, an exclusive license governed by the Copyright Act is recorded in the Copyright Office, then the licensor has no further ownership of the **licensed rights** during the **term** of the **license** (except for a Termination **Right** , if any).(19) Thus, once the transfer is recorded, the licensor does not have the...

...model where an exclusive license is treated as a transfer of ownership of the licensed **rights** to the **license** , and there is a recording system. In these cases, the analysis of ownership of a...

...some countries, the licensee under an exclusive license is not treated as owning the licensed **rights** , and an exclusive **license** is treated as analogous to a lease of personal property.(22) In these countries, the...

...For example, if the license transfers to the licensee all of the licensor's remaining **rights** in the copyright, then the **license** will be treated as a transfer of the copyright itself to the licensee.

SECURITY INTERESTS...if the debtor's rights are outside the recorded chain of title, as when the **license** from the registered **owner** to the debtor is not recorded.

The mechanics of foreclosure are governed by U.C...such a promissory note or bill of exchange, and other intangible things, including rights under **contracts** .(60) Foreign copyrights, foreign **licenses** , and foreign receivables appear to come within the category of "other intangibles," which would include...in the foreign copyright itself, the secured creditor may assert a security interest in the **license agreements** and all receivables arising thereunder. The same choice of law analysis should apply to the...parties notwithstanding any non-assignment provisions in the contract, and (iv) permit a non-debtor/ **licensee** to retain certain **rights** under executory **licenses granted** by a debtor/licensor.(95)

A threshold question for all of the issues listed above...

...365 of the Bankruptcy Code. The following case law dealing with the issue of whether **licenses** of intellectual property are executory **contracts** is based on the Countryman test:

1) In re Stein & Day, Inc.(98) and In...

...Films, Ltd. v. Qintex Entertainment, Inc. (In re Qintex Entertainment, Inc.), (108) an exclusive film **license** with a 25-year **term** was considered executory because the **licensee** had the obligation to account and pay, and the licensor had the obligation to refrain...

...the Copyright Act is not executory.(113) The case did not state the territory and **term** of the **license**, but the lawyers have told the author that the license was worldwide and had a...

...In re Consolidated Products, Inc.(115) held that an eighteen-year worldwide TV and video **license** was an executory **contract**, relying on Qintex Entertainment.(116) The interpretation of the Copyright Act was fully briefed, so In re Biopolymers, Inc.)(117) held that a patent **license** for the remaining **term** of the patent was executory because the licensor had the obligation not to license to...

...interest in the licensed rights, and would not even have the power or ability to **license** the **rights** to third parties. For example, under a properly recorded exclusive license of a U.S. copyright, the licensor no longer owns the **licensed rights** during the **term** of the **license** and does not have the power or ability to **license** the **rights** to third parties.(122) In this case, any obligation to refrain from licensig to third...

...a property interest in the licensed rights, then the licensor will have the power to **license** there **rights** to third parties, although doing so would be a breach of the first license. In...

...continuing to own the licensed rights, the licensor has the material obligation to continue to **license** the **rights** to the licensee. Thus, non-exclusive licenses shuld always be treated as executory contracts under ...

...not, in and of itself, alter the parties' rights in an property related to the **contract** (e.g., **licensed rights**) and that property ownership is a separate issue.(128) Drexel is well thought out...non-bankruptcy law and, in part, depends upon subsequent actions or elections taken by the **licensor**.(142) Special **rules** apply to the rejection of a **license** by a debtor/ **licensor**.(143)

#### CONSEQUENCE IF NON-EXECUTORY **CONTRACT**

A finding that a contract is non-executory dos not have a significant practical impact...

...not have any relevance to the determination of ownership of any property relating to the **contract**, such as **rights** under a **license**. The ownership of licensed **rights** is determined unde applicable non-bankruptcy law.(144)

In theory, the consequence of finding that...

...tempest in a teapot. In particular, in determining the ownership of property relating to a **contract** (including the ownership o **licensed rights**), the executory **contract** analysis is irrelevant. To date, unfortunately, many courts have confused the two issues, resulting in...

...case law.

#### DETERMINING OWNERSHIP OF LICENSED RIGHTS

The election to assume or reject an executory **contract** (including a **license**) in bankruptcy only relates to the contractual provisions of the contract. If there are property the contract relates to the sale of property or the **license** of **rights**, the determination of ownership of the property is a separate, independent question that does not...

...also may give the non-debtor certain rights in the property, such as a Termination **Right** in a **license**, pursuant to either the provisions of the contract itself or state law. On the other...

...the nature of each party's claim to own a property interest in the licensed **rights**. (153) The debtor/ **licenses** 's claim depends upon the **grant** of **rights** contained in the **license** itself. In addition, the debtor/licesee's claim will be strengthened by Bankruptcy Code section...

...a result, the licensee under an exclusive license owns a property interest in the licensed **rights**. (156) If the **license** is non-exclusive, the debtor/licensee is not treated as owning a property interest in...

...of whether the license is or is not recorded.

A licensor's claim to licensed **rights** is determined under the **license** itself. The only time the licensor will have a claim is when the debtor/ licensee...

...against the licensee. This type of provisions ends the inquiry

because the licensor has no **right** to terminate the **license**.

2. Sometimes the license expressly states that the licensor has a Termination Right if the...the point. Thus, the safest course for the licensor is to make sure that the **license** expressly contains a Termination **Right** and to record the Termination **Right** (in either the **license** itself or a short-form assignment) in the Copyright Office.

If the Termination Right is...

...on the recorded short-form assignment and is not on inquiry notice of the Termination **Right** in the **license**. (173)

If the short-form assignment does refer expressly to the license, the hypothetical judgment lien creditor should be put on inquiry notice of the **terms** contained in the **license**, including the Termination **Right**. Although there is no copyright case directly on point, the ...by inquiry, the hypothetical judgment lien creditor should be put on inquiry notice of the **terms** of the **license** if its is described or referenced in the short-form assignment. Thus, the concept of...

...logical that the hypothetical judgment lien creditor should be put on inquiry notice of the **terms** of the unrecorded **license** (including a Termination **Right** if implied by state law); how else could the debtor/licensee establish its ownership of...

...own a property interest in the licensed rights. This determination, in turn, depends upon the **terms** of the **license** and the provisions of each country's law. (177) Second, the court must determine whether...

...for the licensor of a foreign copyright to follow is to make sure that the **license** contains an express Termination **Right**, and the Termination Right should be recorded in at least the major foreign countries that... reason of the rejection and claiming damages for breach by the licensor, or



retaining its **rights** under the **license** for the duration of the **license** as well as any extension **rights** available to the licensee under applicable law. (190)

Thus, section 365(n) resolves ownership of licensed **rights** under an executory **license** of a U.S. copyright. In this respect, section 365(n) is curious for several...

...Notwithstanding this mistaken assumption, section 365(n) does not independently resolve the ownership of licensed **rights** under an executory **license** of a U.S. copyright. While section 365(n) permits the licensee to elect to...

...then becomes subject to various conditions of section 365(n).

A licensee may retain its **rights** under a **license** only "as such **rights** existed immediately before the case commenced." (194) The legislative history of section 365(n) states...

...Thus, according to the express language of the statute and its legislative history, any rights **granted** a licensee for films completed post-petition are not subject to the provisions of section 365(n). This means that the debtor/licensor's rejection of the **license** deprives the licensee of any **rights** to films not completed as of the bankruptcy filing date.

If a debtor/licensor rejects...

...a U.S. copyright and the licensee elects under section 365(n) to retain its **rights** under the **license**, the licensee will lose any setoff rights. (196) A common question is whether this provision...the trustee's rejection." (208) This definition would not apply to recoupment pursuant to the **terms** of a **license**. Apart from the setoff prohibition that this legislative history is defining, the debtor/licensor's...

...not abrogate a recoupment provision in a license when the licensee elects to retain its **rights** under the **license**, so the **right** to recoup is not damaged from such rejection.

Based on the case law and legislative...

...special rules of section 365(n). In addition, section 365(n) only applies to a **license**, so a sale of **rights** may not be subject to section 365(n). (212)

In resolving ownership of a U...

...each party's claim to own a property interest in the licensed rights. (213) The licensee has a claim based upon the **grant** of **rights** contained in the **license** itself. An exclusive license of a U.S. copyright is treated as a transfer of...

...Thus, the licensee under an exclusive license will own a property interest in the licensed **rights**. (214)

If the **license** is non-exclusive, the licensee does not own any property interest in the licensed rights...

...to breach the license by dishonoring it, the licensee has no further claim to the **license** or the licensed **rights**. The licensee would, however, have a claim against the debtor/licensor in the bankruptcy for...

...licensed rights will be based upon the debtor/licensor's initial ownership of the licensed **rights**. If, however, the **license** is exclusive and has been properly recorded in the Copyright Office, then the licensed

rights...

...in the licensed rights.(215) The only time the licensor owns a property interest in **rights** licensed pursuant to an exclusive **license** is when the license has not been properly recorded. In this case, the debtor/licensor...

...217) Another court held that rejection of a license by a debtor/licensor terminates the **license** , with the **rights** reverting to the licensor.(218) Logically, ownership of the licensed rights should be determined under...

...the date of the bankruptcy filing. If the licensee is entitled to retain the licensed **rights** under a non-executory **license** , the licensee does not have to give up its right to setoff, as it would...short-form assignment has not been recorded.

#### Foreign Copyrights

The resolution of ownership of licensed **rights** under a **license** of a foreign copyright when the debtor is the licensor is made on a country...

...a property interest in the licensed rights.(222) The licensee's claim to the licensed **rights** will be based upon the **license** . It is critical to the license that the foreign country the license as a transfer...

...to breach the license by dishonoring it, the licensee has no further claim to the **license** or the licensed **rights** , although the licensee does have a claim against the debtor/licensor in bankruptcy for breach...

...then the analysis resembles that under U.S. state law.(226) That is, if the **license** transfers the licensed **rights** to the licensee, the licensee will prevail because the debtor/licensor has nothing left to...

...want to obtain a protective security interest in the other party's interest in the **license** and the licensed **rights** . The most critical issue is whether the party granting the security interest owns a property interest in the **licensed** rights.(227) If the **grantor** of the security interest does not own such a property interest, then it is futile to have that party **grant** a security interest in the **licensed** rights. Regardless of whether the other party owns any property interest in the licensed rights, it may be worthwhile to obtain a security interest in that party's **rights** in the **license** itself as a separate property interest.

Courts have held that a security interest is not...

...the licensee, and key personnel often leave in a bankruptcy.

3. Put an express Termination **Right** in the **license** .
4. Record the Termination **Right** itself (either in the **license** or a short-form assignment) in the Copyright Office and in the major foreign countries...

...is recorded, make sure it references the license itself.

6. Structure the transaction as a **license** for a limited **term** , and not as a "sale" in perpetuity.
7. Obtain a protective security interest in the...

...protective strategies:

1. Do not accept appointment as a sales agent; insist on receiving a **grant of rights** .
2. Make sure the **license** expressly states that it is exclusive.
3. Do not permit the **license** to contain a Termination **Right** , and have the **license** expressly state that it will not terminate for any reason.
4. Record the license (or...

...Structure the transaction as a sale of the rights in perpetuity, instead of as a **license** for a limited **term** .

#### VOIDABLE PREFERENCES

Under Bankruptcy Code section 547(b), a transfer by the debtor is voidable...will not fall into the trap of confusing property issues, such as the ownership of **licensed** rights, with the executory **contract** analysis under section 365. Determining the ownership of licensed rights must be resolved on the...

...bankruptcy law and should require a country-by-country determination. In the case of a **license** of U.S. **rights** , the determination should depend upon the provisions of the license and whether it was properly...

...dealing with the potential bankruptcy of the other party and should properly document and record **licenses** and Termination **Rights** , if any, in the appropriate countries.

It is hoped that the analysis in this Article...

...17 U.S.C. [subsection] 101 (definitionn of "transfer of copyright ownership"), 201(d)(2) ( **owner** of an exclusive **license** is entitled to all the protection and remedies available to the copyright **owner** to the extent of the **license** ) (1988).

(14) See id.

(15) See infra text accompanying notes 158-59.

(16) See 3...

12/K/25 (Item 10 from file: 148)

DIALOG(R)File 148:Gale Group Trade & Industry DB  
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02819870 SUPPLIER NUMBER: 04119131 (USE FORMAT 7 OR 9 FOR FULL TEXT)  
**Universities, professors, and patents: a continuing controversy.**

Weiner, Charles

Technology Review, v89, p32(12)

Feb-March, 1986

ISSN: 0040-1692

LANGUAGE: ENGLISH

RECORD TYPE: FULLTEXT

WORD COUNT: 6314 LINE COUNT: 00522

... her to exclude all others from making using, or selling the invention. Of course, patent **owners** may sell **rights** to those willing to pay licensing fees for the privilege of using the invention. When...only opened the door for misuse and fraud.

In July 1927 WARF signed its first **contract** --an exclusive **license** for Quaker Oats to use the irradiation process in cereal foods. Several firms were licensed...be waived by the appropriate agency, with royalty-free use provided to the government and **restrictions** on how universities could **license** patents. **Policies** varied from agency to agency. In 1934, only 18 universities were developing patents, but by...

commitment that RCA would press no further priority claims, M.I.T. signed an agreement **granting** both royalty-free and royalty-bearing **licenses** to RCA. However, M.I.T.'s litigation with other firms continued for several years...Act. This act enabled universities, nonprofit institutions, and small firms to receive patents directly, to **license** patent **rights**, and to collect royalties on inventions stemming from federally funded research without seeking waivers from...

12/K/26 (Item 1 from file: 9)

DIALOG(R)File 9:Business & Industry(R)  
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00970763 Supplier Number: 23097939 (USE FORMAT 7 OR 9 FOR FULLTEXT)

**DNA PROBES AND AMPLIFICATION SYSTEMS**

(Sales of DNA probes and amplification systems were about \$100 mil in the United States during 1994, while the forecast is for about \$195 mil in 1996)

Medical & Healthcare Marketplace Guide, p 185+  
1995

DOCUMENT TYPE: Journal (United States)  
LANGUAGE: English RECORD TYPE: Fulltext  
WORD COUNT: 2223

(USE FORMAT 7 OR 9 FOR FULLTEXT)

**TEXT:**

...Nevertheless, companies committed to nucleic acid probe and amplification technology are actively forming partnerships and **licensing agreements** to establish a position in the market segment that fits their strengths. As probe-based...

...some cases multi-temperature, nucleic acid amplification process has been another technical hurdle. Roche, as **owner** of the patent **rights** to PCR, has had a major advantage over other diagnostic companies. PCR has been widely...

...particularly useful in the diagnosis of genetic diseases.

The resolution of patent disputes and the **granting** of cross **licenses** are other signs that the market for probes is maturing. Initially, restrictions on the ability...

...systems for clinical labs. Cetus, the original owner of the PCR patent, had a very **restrictive licensing policy** for PCR before selling the rights to PCR to Roche in 1991. Kodak (now J...

...as licensed a second amplification method, the Repair Chain Reaction (RCR). More recently, Abbott obtained **license rights** to PCR from Roche, and gave Roche **license rights** to LCR and RCR. Becton Dickinson has developed Strand Displacement Amplification, an isothermal amplification process...

12/K/27 (Item 1 from file: 624)

DIALOG(R)File 624:McGraw-Hill Publications  
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0586811

**NUCLEAR POWER:** Is decommissioning all that remains for the industry? Or will license renewal become a reality?

Elizabeth A. Bretz, Associate Editor  
Electrical World, Vol. 208, No. 7, Pg 27  
July, 1994

JOURNAL CODE: EW

SECTION HEADING: SPECIAL REPORT ISSN: 0013-4457

WORD COUNT: 3,594

TEXT:

... concerned with premature shutdowns driven by economics. Selin says the NRC soon will issue a **rule** designed to make the life-extension **licensing** process simple, inexpensive, and predictable (box, p 28).

Even traditional support groups for nuclear power...Some utilities are likely to have spent fuel on-site long after their 40-yr **licenses** expire.

Northern States Power, **owner** of the lead BWR plant Monticello, notes in its 1988 pilot study on license renewal...

... site spent fuel storage after 1998, diminishing spent-fuel management costs as a factor in **license** renewal decisions.

Congress, via the House Appropriations Committee **approved** \$434.5-million to fund the scientific study of Yucca Mountain during fiscal 1995, a...

... being the first unit up for license renewal, many utilities are working within their vendor **owners** ' groups to assess the **license** -renewal landscape. The three groups revolve around designs by Babcock & Wilcox Co (B&W, Barberton... more toward working with the NRC on a reference-plant basis, he says.

The Westinghouse **Owners** Group **approved** a **license** renewal program in February 1993 and authorized an \$8.7-million, five-year budget. The...

...US stands alone

Keep in mind that the US is one of few countries to **license** reactors for long, fixed **terms** , subject to elaborate and costly public hearing procedures. More common, in countries where nuclear regulation...

SPECIAL FEATURE:

... 2, 3. The big question facing plants such as Turkey Point (left) and Arkansas Nuclear ( **right** ) whose **licenses** are set to expire in 2007 and 2014, respectively, centers on resolution of the economics...

?

? t s17/medium,k/1-7

17/K/1 (Item 1 from file: 15)  
DIALOG(R)File 15:ABI/Inform(R)  
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02103884 64863161

**Anticipatory ownership reform driven by competition: China's township-village and private enterprises in the 1990s**  
Sun, Laixiang  
Comparative Economic Studies v42n3 PP: 49-75 Fall 2000  
ISSN: 0888-7233 JRNL CODE: ASE  
WORD COUNT: 10467

...TEXT: as capital and skilled labour. Local governments are induced to establish a basis for secure **rights** of factor **owners** , to provide infrastructure, utilities, and access to markets. Because those jurisdictions that fail to provide...business is severely constrained by their disadvantages in areas such as product marketing, input material **search** , **license** application and approval, and establishment of commercial trust and reputation. For local governments, monitoring numerous household businesses in **terms** of **license** qualification and the follow-up qualification control alone would be too onerous to be practical  
...

17/K/2 (Item 1 from file: 16)  
DIALOG(R)File 16:Gale Group PROMT(R)  
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06566072 Supplier Number: 55460616 (USE FORMAT 7 FOR FULLTEXT)  
**Ultraseek Server 3.1 First to Offer Indexing and Search for XML Fields, Adds Powerful New Capabilities for Intranets and Content-rich Web Sites.**  
Business Wire, p0426  
August 16, 1999  
Language: English Record Type: Fulltext  
Document Type: Newswire; Trade  
Word Count: 1171

... also become an integral component of new enterprise or corporate portal solutions, with partnerships and **licensing agreements** with portal solution companies such as Viador, Epicentric and Comintell.

Availability  
Ultraseek Server 3.1...family, Infoseek for search, and Disney.com and ABC.com for entertainment.

In addition, Infoseek **licenses** its Ultraseek Server **search** and navigation software to companies for their own intranet, extranet and Internet sites. Infoseek is...

...which may be registered in certain jurisdictions. Other trademarks are the property of their respective **owners** . Infoseek **Software** : <http://software.infoseek.com>

17/K/3 (Item 2 from file: 16)  
DIALOG(R)File 16:Gale Group PROMT(R)  
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05400823      Supplier Number: 54474570    (USE FORMAT 7 FOR FULLTEXT)

**STOCK VIDEO.**

MARTIN, SAMANTHA

Interactivity, v3, n12, p38(1)

Dec, 1997

Language: English      Record Type: Fulltext

Document Type: Magazine/Journal; Trade

Word Count:    9493

...rogramming, professional sporting events, and concerts. Plus, animation and special effects collections are available for **license** .

As your **search** begins, make a complete list of clips you need. While being flexible may give you...

...is either the copyright holder or has been granted permission by the copyright holder to **License** material to you. Your **agreement** with the stock footage provider should reflect this. If possible, get an indemnification from charges...

...material, you want to be protected from litigation.

Once this basic requirement is established, the **license agreement** also will likely have a quit claim clause. That means the stock footage house doesn't...rights you aren't getting.

When negotiating licenses and clearances, you must describe to various **rights owners** the scope of your project. Start by defining your project in the broadest possible terms...gliding, wing walking, clouds, and groundrush POV.

Formats: Digital BSP, BetaSP, 3/4-inch, DVCAM.

**Licensing** : Per use basis - some **agreements** may require royalties.

Cost: Varies.

Target market: Commercial, non-broadcast, feature films, trade shows.

AirBoss...Digital Betacom, Hi-8. Available individually and in collection on CD-ROM, online, and video.

**Licensing** : Perpetual **term** royalty free.

Cost: Range of fees. Buyout collection available.

Al Giddings Images

75 Bridger Hollow...animation, lifestyle, newsreels, feature films, wildlife.

Formats: Depends on footage and format required by client.

**Licensing** : Each **licensing term** is negotiated depending on client needs. No buyouts.

Cost: Depends on footage and usage. Target...

**17/K/4      (Item 3 from file: 16)**

DIALOG(R) File 16:Gale Group PROMT(R)

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05041147      Supplier Number: 47400465    (USE FORMAT 7 FOR FULLTEXT)

**Intraspect Software to Incorporate Verity SEARCH '97 in Intraspect's Knowledge Management Software Product**

PR Newswire, p0520SFTU043

May 20, 1997

Language: English      Record Type: Fulltext

Document Type: Newswire; Trade

Word Count:    676

...provider of search and retrieval applications for the enterprise

and the Internet, today announced an **agreement** for Intraspect to **license** Verity's **SEARCH '97 search** and retrieval technology for integration with the Intraspect(TM) Knowledge Management software product. Intraspect focuses...

...Inc. All other registered trademarks and trademarks referenced herein are the property of their respective **owners**

SOURCE Intraspect **Software**

-0-

05/20/97

/CONTACT: Dave Bitner of Intraspect Software, 415-943-6020, or dbitner

...

17/K/5 (Item 1 from file: 148)

DIALOG(R)File 148:Gale Group Trade & Industry DB

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05214567 SUPPLIER NUMBER: 10402064 (USE FORMAT 7 OR 9 FOR FULL TEXT)

CD-ROM licenses: what's in the fine or nonexistent print may surprise you.

Jensen, Mary Brandt

CD-ROM Professional, v4, n2, p13(4)

March, 1991

ISSN: 1049-0833

LANGUAGE: ENGLISH

RECORD TYPE: FULLTEXT

WORD COUNT: 3100 LINE COUNT: 00238

... ROM agreement; West CD-ROM Libraries Subscriber Agreement; R. R. Bowker's Bowker Plus System **agreement** ; SilverPlattter Subscription and **License Agreement** ; CIS Subscription **License Agreement** ; CIS Congressional Masterfile **License Agreement** ; Disclosure Inc.'s Compact Disclosure **agreement** ; Information Access Corporation's InfoTrac **License Agreement** ' OCLC Cat CD450 **License Terms** ; OCLC Search CD450 **License Terms** ; and PhoneDisc U.S.A. **agreement** .

IS IT A **LICENSE** OR A SALE?

In a sale the seller transfers ownership of an item for a...

...to sign a form that includes special terms and conditions of the sale.

When an **owner licenses** an item to a licensee, the licensee does not acquire ownership of the item. The...

...frequently does not have the right to transfer the license to someone else.

A Perpetual **License**

Since the **owner** retains ownership of the item and some rights in the physical item, a license usually...

...places no limit on how long the licensee may keep the item. Depending on the **terms** of the **license** , the **licensee** may or may not have the right to transfer the license to someone else.

Almost...

...subscriber a permanent right to use the product unless the subscriber violates any of the **terms** in the **license agreement** . Occasionally, such **agreements** may require the payment of an annual license fee to use the software necessary to...have the right to make a backup copy because the copyright law only gives backup **rights** to **owners** of copies of **software** .

None of the agreements examined gives the subscriber the right to



make a backup copy...

...When the producer uses an agreement that does not constitute a sale, this eliminates the **rights** given to **owners** of copies in the Copyright Act to dispose of the copies they own by resale...as by copyright. In such cases, the CD-ROM producer would probably be violating his **license** if such **terms** were not included.

Subscribers who have the knowledge and ability to modify software, batch files...

...exchange for changing any of these terms. If the subscribers do not agree to the **terms** of a **license** and cannot get the producer to change them, they have no choice other than to...

DESCRIPTORS: **Licensing agreements** --

17/K/6 (Item 1 from file: 9)

DIALOG(R) File 9:Business & Industry(R)  
(c) 2006 The Gale Group. All rts. reserv.

01706532 Supplier Number: 24451309 (USE FORMAT 7 OR 9 FOR FULLTEXT)

**Gaming Industry Turns On To Game, Music Licenses**

(In an attempt to draw players to their machines, slot machine  
manufacturers search for entertainment and trademark licenses )

TLL The Licensing Letter, v XXII, n 21, p 3+

November 16, 1998

DOCUMENT TYPE: Newsletter ISSN: 8755-6235 (United States)

LANGUAGE: English RECORD TYPE: Fulltext

WORD COUNT: 342

(USE FORMAT 7 OR 9 FOR FULLTEXT)

(In an attempt to draw players to their machines, slot machine  
manufacturers search for entertainment and trademark licenses )

TEXT:

...one-armed bandits.

The deals are said to be among the most lucrative in the **licensor**'s portfolios. Though **terms** aren't disclosed, it's virtually certain that none of them are traditionally royalty arrangements...  
...operator a share of the profits.

Hasbro and Graceland are two of the latest property **owners** to sign gaming **licenses**. Hasbro recently concluded a test program with WMS Industries, which already has placed more than...

...CONCEPT TERMS: **Licensing agreements** ;

17/K/7 (Item 1 from file: 636)

DIALOG(R) File 636:Gale Group Newsletter DB(TM)  
(c) 2006 The Gale Group. All rts. reserv.

03575862 Supplier Number: 47401454 (USE FORMAT 7 FOR FULLTEXT)

**VERITY: Intraspact Software to incorporate Verity SEARCH'97 in Intraspact's Knowledge Management**

M2 Presswire, pN/A

May 21, 1997

Language: English Record Type: Fulltext

Document Type: Newswire; Trade

Word Count: 841

... provider of search and retrieval applications for the enterprise and the Internet, today announced an **agreement** for Intraspect to **license** Verity **SEARCH** '97 **search** and retrieval technology for integration with the Intraspect Knowledge Management software product. Intraspect focuses on ...

...Inc. All other registered trademarks and trademarks referenced herein are the property of their respective **owners** .

CONTACT: Dave Bitner, INTRASPECT **SOFTWARE** Tel: +1 415-943-6020

Marguerite Padovani, Verity, Inc. Tel: +1 408-542-2224 Julie...

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